

Independent Monitoring Group

Seventh HSEC Monitoring Review

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Acronyms and Abbreviations

Name	Description
AOC	Africa Oil Corporation
APELL	Awareness and Preparedness for Emergencies at Local Level
CPF	Central Processing Facility
EHS	Environment, Health and Safety
EHS MP	Environment, Health and Safety Management Plan
EOPS	Early Oil Pilot Scheme
ERM	Environmental Resources Management Ltd
ESAP	Environmental and Social Action Plan
ESRS	Environmental and Social Review Summary
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESG	Environmental and Social Governance
EWT	Extended Well Test
FEED	Front End Engineering Design
FFD	Full Field Development
FID	Financial Investment Decision
FPIC	Free Prior Informed Consent
GHG	Green House Gases
GIIP	Good International Industry Practice
GoK	Government of Kenya
HR	Human Resources
HSEC	Health, Safety, Environment and Community
IMS	Integrated Management System
IFC	International Finance Corporation
IMG	Independent Monitoring Group
KJV	Kenya Joint Venture
KPI	Key Performance Indicator
KPRL	Kenya Petroleum Refineries Ltd
LALR	Land Acquisition and Livelihood Restoration
LARF	Land Access and Resettlement Framework
LLCOP	Lokichar to Lamu Crude Oil Pipeline
NEMA	National Environmental Management Authority
NGO	Non-Governmental Organisation
OSRL	Oil Spill Response Limited
POGBV	Petrobras Oil and Gas B.V
PPE	Personal Protective Equipment
PS	Performance Standard
RAP	Resettlement Action Plan
SEP	Stakeholder Engagement Plan
SSA	Site Specific Assessment

EXECUTIVE SUMMARY

Africa Oil Corporation (AOC) is a Canada based oil and gas exploration and development company that has been active in East Africa since 2009. AOC entered into an Equity Subscription Agreement with the International Finance Corporation (IFC) in August 2015 to finance its oil and gas exploration, appraisal and development activities. The agreement requires AOC (and its Joint Venture partners) to conform to the IFC Performance Standards on Environmental and Social Sustainability (2012) and undertake specific actions detailed in an agreed Environmental and Social Action Plan (ESAP) and Environmental and Social Review Summary (ESRS) from 2015.

AOC's current interests in East Africa are the non-operated assets (Blocks 13T, 10BA and 10BB in the South Lokichar Basin, North-West Kenya) operated by a Joint Venture partner, Tullow Kenya. AOC do not currently have any other operated or non-operated interests in Kenya and Ethiopia as Block 9 and Block 12A in Kenya and the Ethiopian interests have been relinquished by AOC. AOC has recently acquired interests, on a non-operator basis, in South and West Africa and in South America.

Environmental Resources Management was commissioned as the Independent Monitoring Group (IMG), which is a requirement for projects that have been classified by the IFC as Category A. Previous reviews, focussing on East Africa, have been undertaken at approximately six to nine monthly intervals between December 2015 and December 2019. This report covers the findings of the seventh review, undertaken in February-March 2020.

In the South Lokichar Basin, the Operator is progressing with the initial phase (Foundation Phase) of the Full Field Development Project. Exploratory drilling, well appraisal and extended well testing (EWT) activities have been progressing over the last few years and currently activities on site are at a low level (as verified during a short site visit in March 2020), pending approvals to progress to the next stage of the project. The draft ESIA for this project was disclosed at the end of 2019 and is currently being finalised (targeted for mid-2020) with the Financial Investment Decision planned for the end of 2020. An ESIA for the mid-stream component of the project has been submitted to the National Environmental Management Authority (NEMA) and a supplementary assessment is planned by mid-2020 to address gaps with respect to the IFC Performance Standards.

Delivery of previously produced crude oil from EWT activities to Mombasa was undertaken through 2019 (known as the Interim Trucking Project and part of the Early Oil Pilot Scheme). The first cargo of 240,000 barrels of oil was exported from Mombasa in August 2019. The transfer of crude oil by road tanker from South Lokichar to Mombasa was suspended in November 2019 following a fatal accident. An investigation was undertaken and a Correction Action Plan agreed. It was reported by the Operator that, at the time of this review, the Interim Trucking Project remained suspended as the A1 road had been damaged by flood water and was not trafficable by the road tankers.

The focus of the current review has been the draft upstream ESIA and mid-stream ESIA. The findings of the reviews are presented in this report, along with an evaluation of conformance with the relevant Performance Standard and actions required to address gaps. A number of observations made in the previous reviews have been addressed through these ESIA's. For some other observations the required actions are in progress, for example, draft environmental and social management procedures that are undergoing internal review require to be finalised and fully operationalised prior to commencement of the Full Field Development (FFD) activities. It is noted that at the time of reporting and the current review, all activities in South Lokichar had been suspended due to the Covid-19 pandemic and therefore all dates for planned work in 2020 and beyond are subject to delays. In addition, the IMG reviewed the Environmental and Social Due Diligence report undertaken prior to AOC's acquisition of assets offshore Nigeria. Comments on the findings of that review and recommendations for issues to be included in an ESAP for these assets are provided in this report.

The date and focus of the next review will be dependent on progress with the South Lokichar FFD Foundation Phase Project due to the Covid-19 pandemic and associated travel restrictions. The review will include available updates of key documentation such as final ESIA's, Land Access Strategy and associated plans, updated SEPs, and operational plans, procedures and agreements for commencement of the Foundation Phase Project. In addition, a review of actions undertaken to meet the requirements of any updated ESAP covering AOC's wider asset portfolio will be undertaken.

1. INTRODUCTION

1.1 Background

In August 2015, *Africa Oil Corporation (AOC)* entered into an Equity Subscription Agreement with the International Finance Corporation (IFC) for financing to support its oil and gas exploration, appraisal and development activities. The agreement included a requirement for AOC to conform to the IFC Performance Standards (PS) on Environmental and Social Sustainability (the Performance Standards) and to undertake specific actions detailed in an agreed Environmental and Social Action Plan (ESAP). The ESAP was developed by the IFC based on its Environmental and Social Review Summary (ESRS) of AOC's activities produced in June 2015.

Environmental Resources Management Consulting East Africa Limited (ERM) was commissioned by AOC and the IFC to act as the Independent Monitoring Group (IMG) ⁽¹⁾. The role of the IMG is to conduct a review of Health, Safety, Environment and Community (HSEC) aspects associated with AOC's activities related to oil and gas exploration, appraisal and development with respect to IFC's environmental and social requirements. Previous reviews have focussed on AOC's interests in Kenya and, to a lesser extent, Ethiopia.

Reviews were scheduled every six months during exploration and development phases, and annually during production phases. The first six IMG reviews were undertaken in December 2015, July 2016, January 2017, July 2017 (desk based due to travel restrictions), May 2018 and December 2019 (delayed due to reduced levels of activity on site and focussed on the Early Oil Pilot Scheme). This report covers the findings of the seventh review, undertaken in February/March 2020. It is noted that at the time of reporting, all activities at South Lokichar had been suspended due to the Covid-19 pandemic, therefore all dates for planned work in 2020, and beyond are subject to delays.

1.2 Scope of the Review

AOC's interests in Kenya and Ethiopia included both 'operated assets', with development activities led by AOC and 'non-operated assets', with development activities led by another partner in a Joint Venture (JV). At the time of the previous reviews, there were no activities in AOC operated assets in Ethiopia and Kenya, other than some biodiversity and water resource studies that were undertaken in advance of potential exploration drilling operations in Ethiopia, prior to relinquishment of the licence by AOC.

AOC's current interests in East Africa are the non-operated assets (Blocks 13T, 10BA and 10BB in the South Lokichar Basin, North-West Kenya) operated by a JV partner, Tullow Kenya. AOC currently have no other non-operated or operated interests in Kenya and Ethiopia as Block 9 and Block 12A in Kenya and AOC and JV Partners have relinquished the Ethiopian interests. AOC has recently acquired interests, on a non-operator basis, in South and West Africa and in South America. These are described on Chapter 2.

The review included a review of available documents and a progress update meeting in AOC's London offices with AOC Nairobi and Tullow London staff joining by telephone. The desk-based work included a review of the Draft Environmental and Social Impact Assessment (ESIA) for the Foundation Phase of the South Lokichar FFD Project and the submitted ESIA for the Lokichar to Lamu Crude Oil Pipeline (LLCOP) Project (this midstream project is not part of AOCs non-operated assets but an Associated Facility as defined by IFC PS1). The review also included a one-day site visit to South Lokichar on 6th March 2020, along with representatives from the IFC, to verify the level of current activities and to assess any community issues.

AOC has now acquired non-operator interests in producing assets offshore Nigeria and has other non-operator interests in offshore exploration and appraisal programmes in South Africa, Namibia and Guyana (summarised in Chapter 2 below). These assets and interests are not part of the scope of the current IMG review, however, a high-level review of the investment Environmental and Social Due Diligence (ESDD) report for the Nigeria assets (commissioned by AOC's JV partner Delonex) has

(1) As required for projects classified by the IFC as Category A (projects expected to have significant adverse social and/or environmental impacts that are diverse, irreversible, or unprecedented).

been undertaken. The scope of future reviews will include activities where AOC is the operator or where AOC has invested in new assets or areas as non-operator.

1.3 Objectives

The overall objective of the IMG review is to identify areas of non-conformance ⁽¹⁾ within the review framework and to make recommendations for corrective actions, or improvements in line with Good International Industry Practice (GIIP). The reviews to date have covered the following areas.

- Progress against the current AOC ESAP requirements.
- Tullow Kenya operational-level HSEC management plans and procedures.
- Tullow Kenya operational performance where Tullow Kenya is the Operator.

For the purposes of evaluating operational performance, the focus of the IMG reviews have been directed at activities in non-operated assets in Kenya. Currently these are in the South Lokichar Basin in Kenya where Tullow Kenya is the Operator.

1.4 Approach

The approach taken for the current review was as follows.

- Conduct a desktop review of AOC's and the Operator's new, revised or finalised documentation on the social and environmental risks; HSEC policies, plans and procedures; stakeholder engagement plans; land access plans; and associated studies and reports. This included the Draft South Lokichar Foundation Phase ESIA and associated plans and the submitted LLCOP pipeline ESIA.
- Conduct a site visit to observe current activities.
- Request clarifications or further information from AOC and the Operator staff, and report the review findings.

Each IMG report provides updated information, an update on any actions in progress and new observations. Where appropriate, information in the previous IMG review is referenced or summarised to avoid unnecessary repetition. The review methodology and action tracking procedure is presented in Chapter 3.

1.5 Review Period

This review covers the activities in progress between the sixth review in December 2018/January 2019 and the current review in February/March 2020. Where reference is made in this report to the 'next review period', this would cover the approximately six-month period from February/March 2020 to the next review currently scheduled for the third quarter (Q3) of 2020. Due to ongoing travel restrictions related to the Covid-19 pandemic if it not currently known if field visits will be possible or if the review date will be delayed due to related project delays.

1.6 IMG Review Team

The ERM IMG review team comprised five consultants, covering the following skills specified in the IMG Scope of Work.

- Mark Irvine: Team Leader and Environmental Specialist.
- Tracey Draper: Social Performance and Labour and Working Conditions Specialist.
- David Nicholson: Biodiversity Specialist.
- Shana Westfall: Environmental Specialist.
- Philip Wambua: Health and Safety Specialist.

(1) The term 'compliance' relates to specific legal and regulatory measures or contract requirements, whereas the term 'conformance' relates to a standard that is outcome-based.

- Mercy Kuria: Environmental Specialist.

1.7 Limitations

The findings in this report are based on the Scope of the Review described above. ERM performed these services in a manner consistent with the normal level of care and expertise exercised by members of the environmental and social consulting profession. The work is based primarily upon documents produced and studies performed by third parties, and follow-up interviews and discussions.

ERM has used information provided by AOC, Tullow Kenya and their representatives in good faith and with verification limited to requests for clarifications and additional documentary evidence. The assessment and recommendations made are based on professional judgement drawing on the available information and within the limits of the budget and schedule. The information provided in this report should be considered as technical input and not as legal advice.

1.8 Report Structure

The remainder of this review report is structured as follows.

- Chapter 2 summarises the key AOC and JV assets and status of activities.
- Chapter 3 outlines the assessment framework and applicable standards.
- Chapter 4 presents an assessment of the progress against the AOC ESAP requirements.
- Chapter 5 presents the findings of the review with respect to the IFC Performance Standards along with the actions required to achieve full conformance and recommendations to meet GIIP.
- Chapter 6 presents the conclusions and recommendations for the next review.

The review is supported by the following appendices.

- *Appendix A: Additional Documents Provided by AOC and Tullow Kenya.*
- *Appendix B: Review of Draft South Lokichar Development Foundation Stage ESIA.*
- *Appendix C: Review of LLCOP ESIA.*

2. AOC AND JV ASSETS AND CURRENT ACTIVITIES

Details of AOC and JV assets have been provided in the previous reviews and an update of assets and current activities is provided below.

2.1 Kenya

Non-operated assets in Kenya include Blocks 10BA, 13T and 10BB in Turkana County, in north-west Kenya. The assets are operated by Tullow Kenya in a JV with AOC and Total (named the KJV later in this report). Further details of activities in these blocks are presented below.

AOC and its JV partner, Tullow Kenya, no longer have an interest in Block 12A in Kenya, which is now operated by Delonex. AOC exited Block 12A on 31 March 2017. It is noted that there is currently a complaint being considered by the IFC ombudsman regarding the stakeholder consultation and disclosure processes that were previously and currently being undertaken for activities in that block. The process had not concluded by the time of this review, however, any lessons learned from this process will be considered in subsequent reviews, to the extent that they are relevant to ongoing AOC and JV activities.

2.1.1 South Lokichar Basin Exploration, Appraisal & Development

For the purposes of this report, the South Lokichar Basin comprises Blocks 13T and 10BB. A description of the activities associated with the development of the South Lokichar Basin, along with the environmental and social context, was provided in the previous IMG reviews so is not repeated here other than a summary of the key upstream components and an update on the midstream component.

The current permitted phase of exploration and appraisal activities within Blocks 10BB and 13T in South Lokichar commenced on 19th of September 2015 and runs until 18th September 2020. During this phase, six exploration and appraisal wells have been drilled in block 13TT and four in Block 10BB, as well as EWTs at three Ngamia wells and the Ngamia water injection, and Amosing and Ngamia water flood pilot tests (these tests ceased in early 2019). It should be noted that all dates for planned work in 2020 are subject to delays due to the Covid-19 pandemic.

2.1.2 South Lokichar Early Oil Pilot Scheme

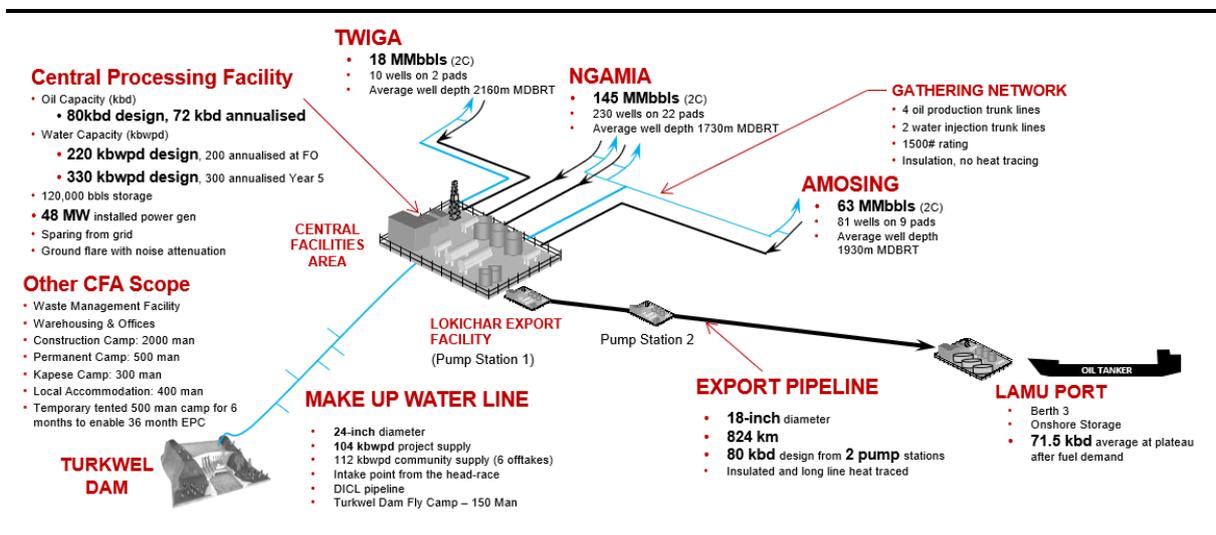
The Early Oil Pilot Scheme (EOPS) within block 10BB is designed to produce 2,000 barrels of oil a day from two existing Amosing wells (1 and 2A) and three existing Ngamia wells (3, 6 and 8) for a two-year period. The crude oil is transported by road 1,200 km to the Kenya Petroleum Refineries Ltd (KPRL) facility in Changanwe, Mombasa, using specialised road tankers. In preparation for this, an Interim Trucking Project was agreed with Government of Kenya (GoK) to transport the existing stored crude oil that was produced from previous EWTs (approximately 67,000 barrels) to Mombasa. The Interim Trucking Project commenced in July 2018, with approximately 600 barrels of oil per day transported to Mombasa. The first oil cargo of 240,000 bbls was exported from Mombasa by tanker on 26 Aug 2019. The transfer of crude oil by road tanker from South Lokichar to Mombasa was suspended in November 2019 following a fatal accident. An investigation was undertaken and a Corrective Action Plan agreed. It was reported by the Operator that, at the time of this review, the Interim Trucking Project remained suspended as the A1 road had been damaged by flood water and was not trafficable by the road tankers.

2.1.3 South Lokichar Full Field Development

The first phase of the full field development of the South Lokichar fields (the Foundation Phase) will include three of the discoveries: Twiga, Amosing and Ngamia in block 10BB. This will comprise a series of well pads, interconnecting flowlines, a Central Processing Facility (CPF), and support facilities and infrastructure (e.g. roads, logistics base/storage areas, waste storage sites, and power and water supply). The Foundation Phase would aim to produce 60-80,000 barrels of oil per day. Subsequent phases could bring in further discoveries in Block 10BB and Block 13T. Figure 2.1 illustrates the Foundation Phase development schematically.

A draft ESIA for the Foundation Phase was disclosed in November 2019 to support the consultation process and the ESIA is scheduled for completion by end of Q2 2020, following consultations and land access negotiations. Financial Investment Decision (FID) is targeted for end of 2020 with construction planned over a 36 month period from FID.

Figure 2.1 South Lokichar FFD Foundation Phase and Pipeline Route Schematic

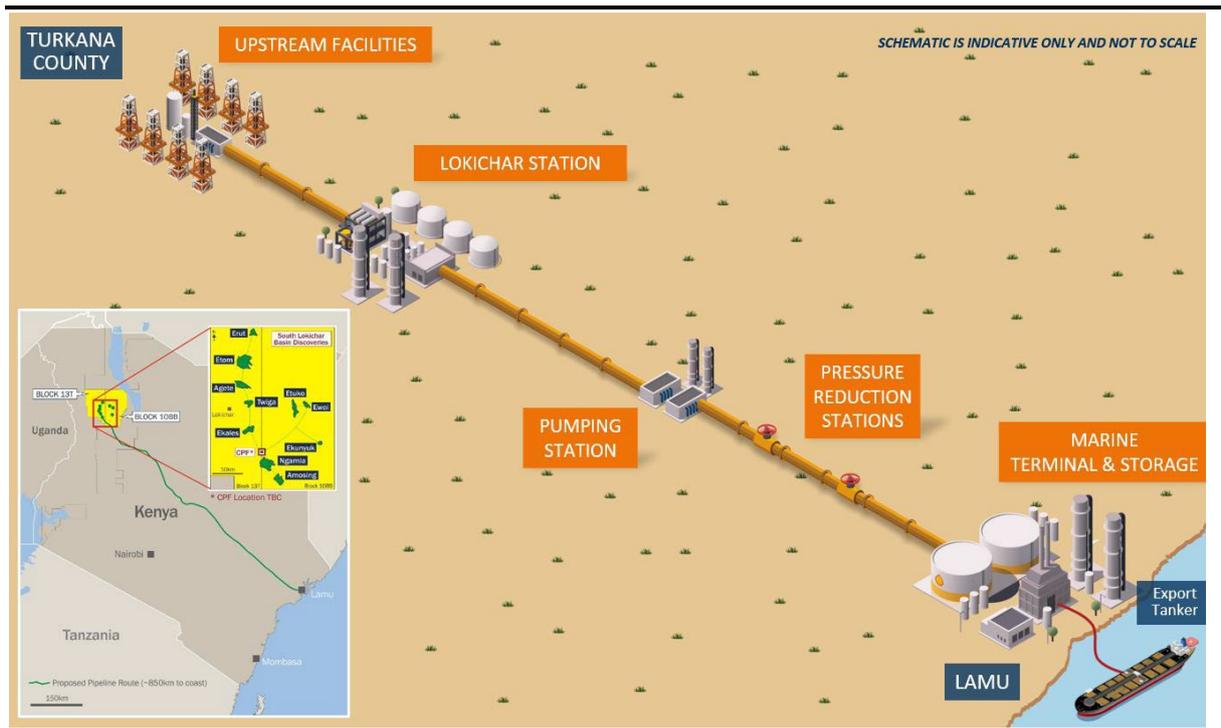


Source: Tullow Kenya Plan of Development 2020

2.1.4 Lokichar to Lamu Crude Oil Pipeline

The pipeline is planned to run from the CPF at South Lokichar to a marine export terminal to be built at the Port of Lamu. The ESIA was submitted to NEMA in November 2019 and an addendum to address changes to the pipeline route to avoid a military base at Garissa and the changes to offshore storage facility in Lamu is planned for submission by the end of Q1 2020. A Supplementary Assessment is scheduled for completion in Q2 2020 to address additional biodiversity, land access, social performance and management system issues to meet IFC PS requirements. The GoK LAPSSSET Corridor Development Authority, via the National Lands Commission, will lead the land access and stakeholder engagement for the pipeline. Figure 2.2 illustrates the pipeline to Lamu schematically.

Figure 2.2 Lokichar to Lamu Pipeline Route



Source: Tullow Kenya Plan of Development 2020

2.2 Summary of Activities in South Lokichar

A summary of the status and main activities underway or planned in south Lokichar described above are presented in *Table 2.1*.

Table 2.1 Status and Current Activity in South Lokichar Basin

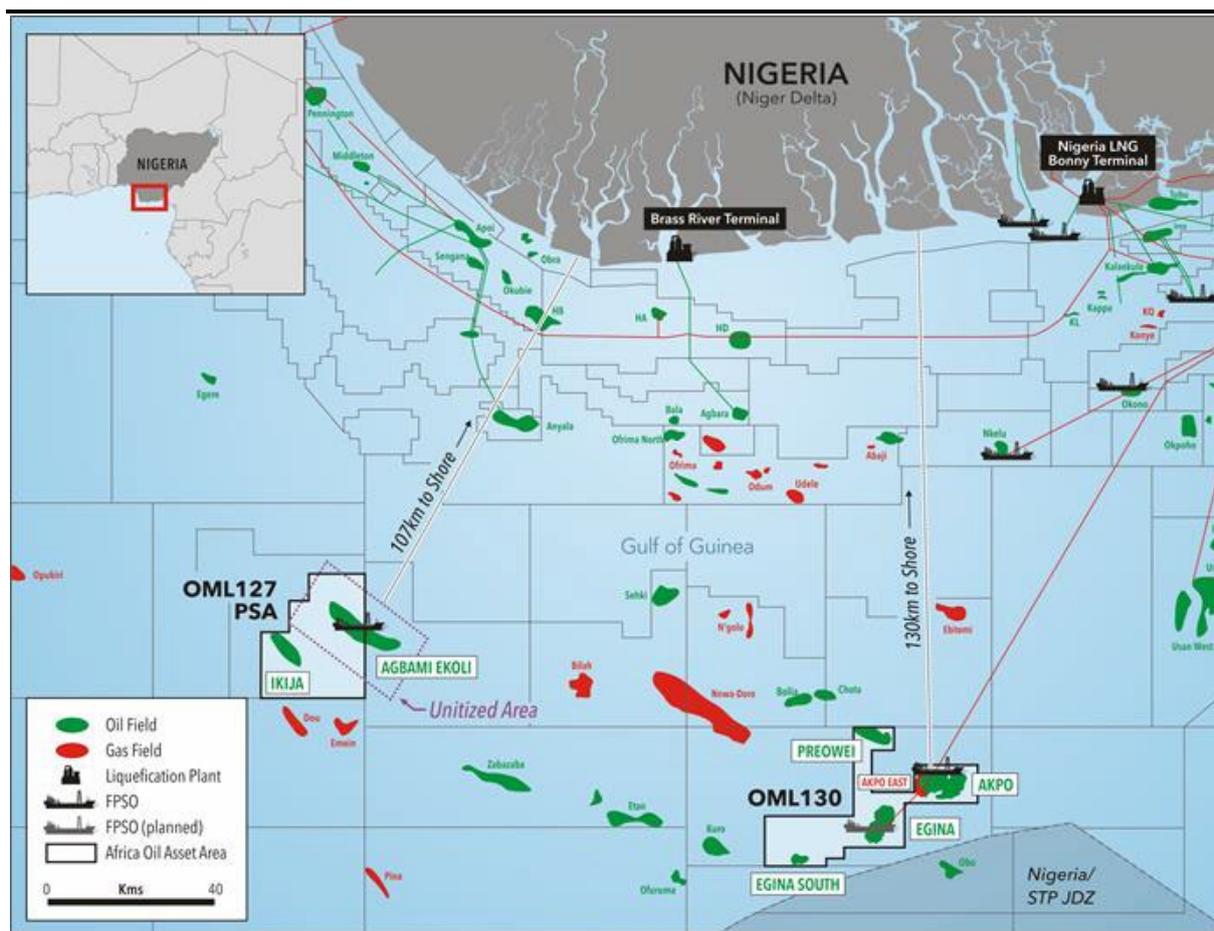
Licence Block	Status	Current Activity
Blocks 13T and 10BB (South Lokichar Basin), Kenya	Exploration and appraisal licence runs to September 2020 for blocks 13T and 10BB.	All exploration and appraisal work is currently suspended. Water flooding work ceased in early 2019.
	Interim Trucking Project to transport stored oil from previous well testing to Mombasa commenced in Q3 2018 and is planned for up to two years.	The Interim Trucking Project is currently suspended.
	The South Lokichar Full Field Development Foundation Phase Plan of Development has been drafted (January 2020). FID is targeted for end 2020 and construction is scheduled to take place over a 36 month period from FID.	Draft ESIA for the FFD Foundation Phase Project released in Q4 2019 as part of the consultation process and final ESIA due for completion during Q2 2020.
	Pipeline Joint Development Agreement signed with GoK to progress export pipeline from South Lokichar to Port of Lamu.	ESIA submitted to NEMA in Q4 2019. An ESIA Addendum to address design changes and a Supplementary Assessment to meet IFC standards is due for completion in Q2 2020.

2.3 Nigeria

AOC, through an acquisition of approximately 50% of Petrobras Oil and Gas B.V (POGBV) in January 2020 has non-operator interests in three FPSO based deep-water producing assets offshore Nigeria. These are listed below and shown in Figure 2.3.

- Block OML 127: Agbami field operated by Chevron (AOC has approximately a 4% interest).
- Block OML 130: Egina and Akpo fields operated by Total (AOC has approximately an 8% interest). A final investment decision on the tie back of the Preowei discovery is planned for Q4 2020.

Figure 2.3 Offshore Nigeria Assets



Source AOC Corporate Presentation May 2020

2.4 Other Non-Operated Interests

AOC holds minority interests in Impact Oil and Gas Limited (with deep-water exploration blocks around Africa), Eco-Atlantic Oil and Gas Ltd (with exploration blocks located offshore Namibia and Guyana) and Africa Energy Corp (with exploration prospects in South Africa and Namibia). A summary of the interest and current activities being undertaken is provided below. AOC also has indirect interests through Impact Oil and Gas in the CNOOC Operated AGC Profond Block in the Senegal/Guinea-Bissau common waters.

Figure 2.4 provides with details of the South Africa and Namibia assets and an overview of all the current AOC JV assets presented in Figure 2.5. Note figures for other assets were not available. The information and figures are from AOC's Corporate Presentation <https://www.africaoilcorp.com/investors/corporate-presentations/>.

AOC has an approximate 18% interest in Eco-Atlantic Oil and Gas, which has a 15% interest in the Orinduik block, offshore Guyana. The operator is Tullow Oil plc. Two discoveries were made in 2019 (Jethro-1 and Joe-1 wells) and further exploration and appraisal is planned for 2020 under current permits.

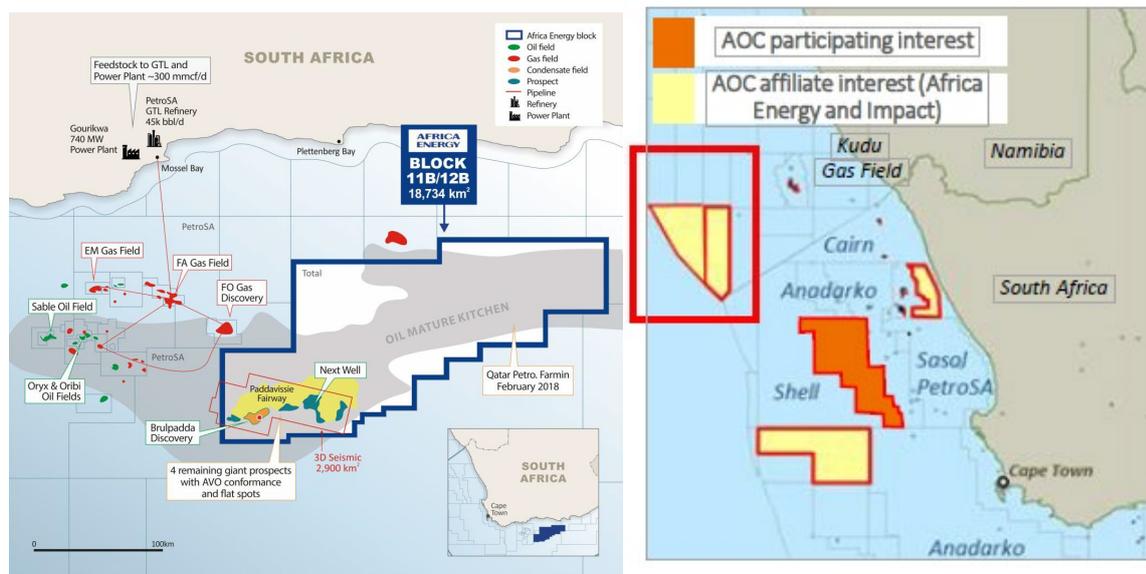
2.4.2 South Africa

AOC has an approximately 35% interest in Africa Energy South Africa, which has a 4.9% interest in the offshore Block 11B/12B. Total is the operator. Following the Brulpadda discovery, further evaluation and development is planned as well as up to three exploration wells starting in 2020.

2.4.3 Namibia

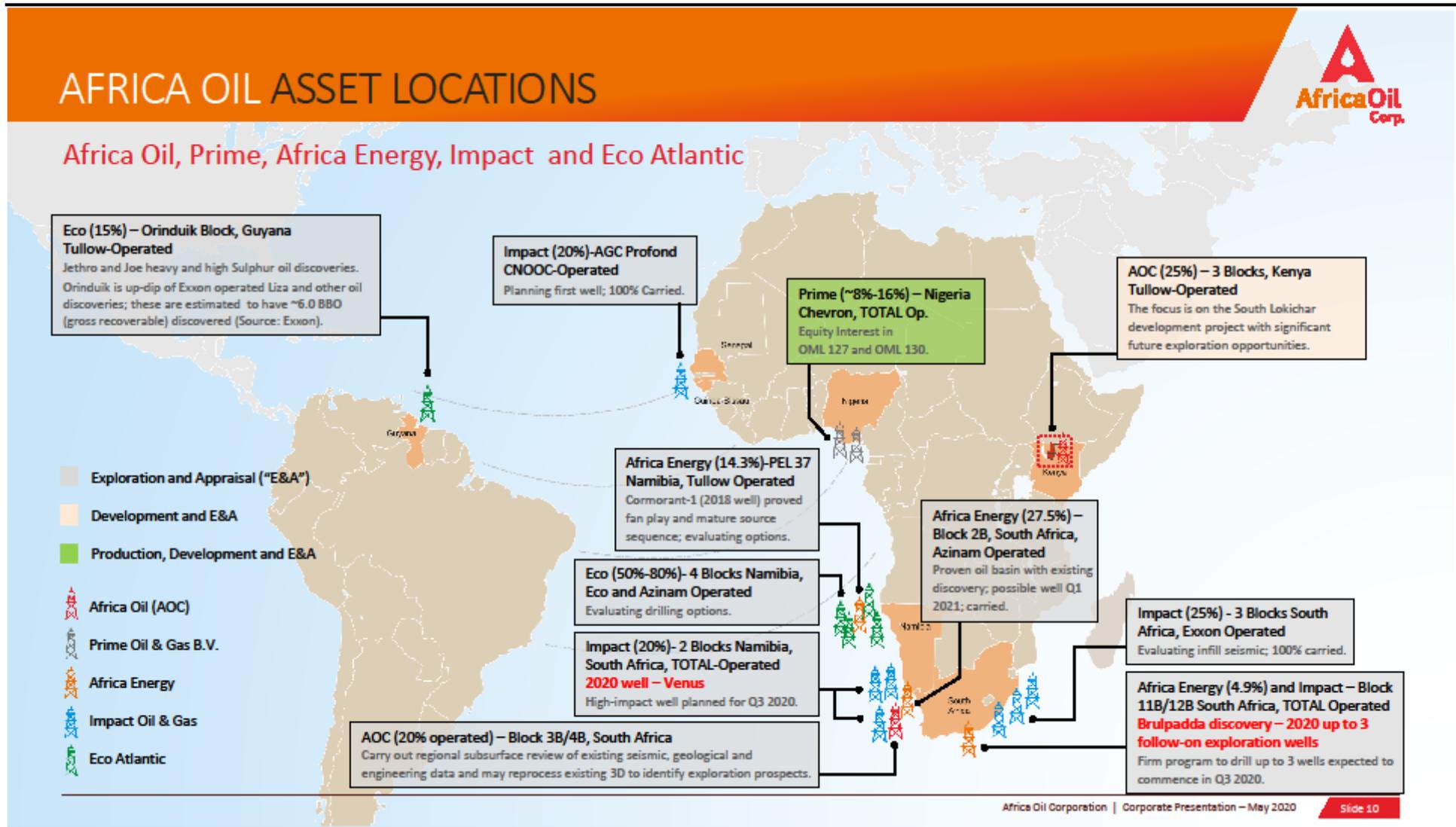
AOC has an approximately 30% interest in Impact Oil and Gas which has a 20% interest in block 2912/2913B. Total is the operator. The Venus exploration well is planned for Q2 2020. Africa Energy also has a 10% interest in PEL 37 offshore Namibia where Tullow is the operator.

Figure 2.4 Offshore South Africa and Namibia Assets



Source: AOC Corporate Presentation May 2020

Figure 2.5 Current AOC JV Assets



Source: AOC Corporate Presentation May 2020

3. ASSESSMENT FRAMEWORK AND METHODOLOGY

3.1 Assessment Framework

The IMG review of AOC's and its JV partners' plans and activities was undertaken through a combination of document review, presentations and a short site visit.

The assessment was undertaken against the following environmental and social standards.

- Environmental and social laws and regulations of Kenya in force at the time of the assessment.
- AOC's agreed ESAP requirements (disclosed by the IFC on 31 August 2015).
- IFC Performance Standards on Environmental and Social Sustainability (2012) and related policies and guidance, including:
 - Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts;
 - Performance Standard 2: Labour and Working Conditions;
 - Performance Standard 3: Resource Efficiency and Pollution Prevention;
 - Performance Standard 4: Community Health, Safety and Security;
 - Performance Standard 5: Land Acquisition and Involuntary Resettlement;
 - Performance Standard 6: Biodiversity Conservation and Sustainable; Management of Living Natural Resources;
 - Performance Standard 7: Indigenous Peoples; and
 - Performance Standard 8: Cultural Heritage.

The review considered the sector-specific guidelines of the World Bank Group as referenced in the Performance Standards including:

- General Environmental, Health and Safety General Guidelines (April 2007); and
- Environmental, Health, and Safety Guidelines for Onshore Oil and Gas Development (April 2007).

The proposed pipeline along the LAPSET corridor from South Lokichar to Lamu is considered as associated development. With respect such third party development, PS1 (paragraph 9) states:

In the event of risks and impacts in the project's area of influence resulting from a third party's actions, the client will address those risks and impacts in a manner commensurate with the client's control and influence over the third parties, and with due regard to conflict of interest.

The IMG has reviewed the submitted ESIA and commented on any gaps with respect to the IFC Performance Standards to be addressed as part of a Supplementary Assessment for lenders.

A summary of relevant Kenyan laws and regulations currently in force was provided in the first IMG review and is not repeated here.

For the recently acquired Nigerian assets, the approach adopted was to provide a high-level review of the previously undertaken Environmental and Social Due Diligence (ESDD) Review and recommend actions that could be incorporated into a revised AOC ESAP to address the key issues identified to date.

3.2 Methodology

3.2.1 Overview

The IMG review comprised the following main activities.

- A review of relevant environmental and social documentation and information. Presentations were made by AOC at a meeting at AOC's offices in London in January 2020 with a video-conference link to AOC's office in Nairobi and a telephone link with Tullow in London. Copies of presentations and related documents were provided. The meeting and calls were attended by Alex Mayhook-Walker, Tim Collins and Linda Were (AOC), Paul Mowatt (Tullow) and Mark Irvine and Tracey Draper (ERM).
- A meeting was held with AOC, ERM and the IFC in Nairobi on the 5th of March 2020 to provide an update of the current activities in Kenya and a one-day site visit was undertaken to the South

Lokichar project area on the 6th of March 2020. The meeting was attended by the IFC (Conrad Savy, Environmental and Mi Hyun Bae, Social), AOC (Mark Dingley, Alex Mayhook-Walker, Donald Mahaga and Linda Were), Tullow (Reshma Shah, Ken Kamau and Eris Lothike), Total Kenya (Purity Karau) and ERM (Mercy Kuria).

- Activities were evaluated against the assessment framework to determine compliance with national laws and regulations, corporate requirements, and conformance with lender requirements. Actions that the IMG considers are required to conform to the ESAP commitments and the relevant PSs are provided. Where applicable, recommendations are made to improve performance and to meet GIIP to aid AOC/Operator to maintain continuous improvement.

3.2.2 Document Review and Presentations

HSEC documents covering AOC's corporate management plans and Tullow Kenya's operational policies, procedures and plans were provided prior to and during the previous IMG reviews with updated and additional plans, procedures and associated documents provided for the current IMG review. Details of the documents provided for the current review are presented in Appendix A. The documents submitted for the previous IMG reviews are listed in the previous reports.

An operational update was presented to the IMG by AOC and Tullow Kenya outlining operations and HSEC issues and management plans.

These covered the following main areas.

- Overview of AOC current and planned operations and investments.
- Overview of Tullow Kenya Exploration and Appraisal Operations (South Lokichar Basin).
- Early Oil Pilot Scheme and Oil Trucking update (including an investigation into a fatal accident).
- Foundation Phase Full Field Development update and ESIA status.
- LLCOP update and ESIA status.
- Land Access.
- Water Access.
- Waste Management.

3.2.3 Performance Evaluation

The status of the findings from this review, and the overall HSEC performance was rated and evaluated according to the categories presented in *Table 3.1* and *Table 3.2*.

Table 3.1 Performance Status Ratings

Performance Status Rating	Criteria	Action
When Required	Work to meet the requirements has not commenced, as the relevant phase of the project has not started.	Workplan to be agreed prior to relevant phase commencing.
Open	Work to meet the requirements has not commenced. This may be because a new action has been identified.	Workplan to be agreed with an agreed period.
In Progress	Work to meet requirements is in progress. Some parts of the requirements may be closed and others are planned within a defined period.	Workplan to be completed with an agreed period. Some items stated to have been completed may require verification before being closed.
Closed	Requirements have been fully met.	No further action required, but will require ongoing monitoring to ensure future conformance. Closed items are shown on the ESAP items to demonstrate progress. Closed items are removed from the PS Conformance Actions

Table 3.2 Performance Status Ratings

Assessment Rating	Criteria	Action
Requirement not met – Level I	Issue or situation not consistent with Applicable Standards or commitments but without an immediate risk or impact to resource or receptors.	Level I Non Conformances will be recorded, along with a recommendation for corrective action to the Company
Requirement not met – Level II	Issue or situation not consistent with Applicable Standards or Company commitments that has not yet resulted in clearly identified damage or irreversible HSEC impacts, but which requires immediate corrective action to prevent risk of impact to resources or receptors. Recurring issue or situation not consistent with Applicable Standards or Company commitments but without an immediate risk of impact to resource or receptors generally requiring systems-level corrective action.	Level II Non Conformances will generate a corrective action request, and will be recorded. Level II Non Conformances may result in a recommendation to 'Stop Work', in those situations where work activity presents ongoing HSEC risks.
Requirement not met – Level III	Issue or situation not consistent with Applicable Standards or Company commitments that has resulted in significant observed impact to resources or receptors, or which has a reasonable expectation of imminent damage or irreversible HSEC impacts, and which requires immediate corrective action. Action that indicates intentional disregard for Applicable Standards or Company commitments that has not necessarily resulted in significant impact, generally requiring systems-level corrective action.	Level III Non Conformances will result in a recommendation to the Company to 'Stop Work', which will be reported to IFC. The Company will agree a time-bound Action Plan to address the non-conformance to the satisfaction of the Independent Monitoring Group.

4. ASSESSMENT AGAINST AOC STANDARDS AND COMMITMENTS

4.1 Conformance with Current ESAP Requirements

The original ESAP was developed for potential operations in Ethiopia and Kenya. As discussed in Chapter 2, AOC are not currently planning operations in Ethiopia and have recently invested in other geographies.

In preparation for potential operational roles, AOC produced a number of framework documents that outlined the management requirements that would apply to any operational plans to be produced when AOC commenced any field operations. The draft and final framework documents have been reviewed during previous IMG reviews and by the IFC. If AOC takes on an Operator role in any existing or future blocks then project specific ESAs, SEPs and other relevant policies and plans will be developed by AOC to address the relevant ESAP requirements.

It is noted that it is planned to update the ESAP to address ESG issues and responsibilities associated with AOC's broader asset and project portfolio. Progress against any revised ESAP will be assessed in subsequent IMG reviews.

For the current review, the existing agreed ESAP has been reviewed. It is recognised that the original anticipated completion dates have passed for a number of actions, associated with changes to some planned activities and delays to commencement of most operational activities.

Table 4.1 presents the tasks identified in the current AOC Master Action Plan, with reference to the agreed IFC ESAP requirements, and the current status. For the purposes of the current ESAP, the requirements relating to Ethiopia have been assigned as 'closed'. The ESAP requirements relevant to the current and planned Tullow Kenya operations in the South Lokichar Foundation Phase Project area are mainly closed, with some assigned as 'in progress', pending finalisation of documents or completion and approval of current ESAs. The more detailed project-specific requirements are presented in Chapter 5.

It is noted that the planned schedule of Q2 2020 was prior to Covid-19 related Project delays.

As part of the current review, the IMG was provided with a copy of an ESDD Review undertaken on behalf of AOC's JV partner Delonex for the Nigeria investment. The findings of the IMG's review of this report are included in Chapter 5.

Table 4.1 Evaluation of ESAP Requirements

ESAP 1.1	The Company will enhance HSE capacity through i) an IFC Performance Standard focused training for senior management and operational teams		Closed	Training process established and training undertaken
ESAP 1.2	(ii) hiring an Environmental, Social and Governance Manager.		Closed	ESG Manager appointed 9 November 2015.
ESAP 2.1	The Company will develop Stakeholder Engagement Plans (SEP), for its Kenya and Ethiopia activities per the requirements of Performance Standard 1.		Closed	A SEP Framework document was produced by AOC and approved by IFC. The Ethiopia block have now been relinquished.
		Q2 2020	In Progress	For the South Lokichar Basin FFD Foundation Phase Project, Tullow Kenya has prepared a Stakeholder Engagement Framework and Pre-Development Stakeholder Engagement Plan. These were finalised following review by the IFC. The Foundation Phase SEP is under development.
ESAP 2.2	Company to prepare and submit ESIA's to IFC for review and approval – undertaken per project.		Closed	An ESIA for potential drilling on the west coast of Lake Abaya in Ethiopia was completed in Q2 2018.
		Q2 2020	In Progress	For the South Lokichar Basin development, Tullow Kenya undertook an ESIA for EOPS in Q4 2018 and is finalising an ESIA for the FFD Foundation Phase Project (draft submitted in Q4 2019) and is expected to be completed in Q2 2020. The LLCOP ESIA was submitted to NEMA in Q4 2019 and an Addendum and Supplementary Assessment against IFC PSs is due Q2 2020.
ESAP 3	The Company will complete the additional requirements for Free Prior Informed Consent (FPIC), per the circumstances listed in Performance Standard 7, and complete a mutually acceptable process between Company and affected community and provide evidence of an agreement between the two parties on the outcome of the negotiation		Closed	For the South Lokichar Basin development, Tullow Kenya has prepared a <i>Stakeholder Engagement Framework, Pre-Development Stakeholder Engagement Plan and Land Acquisition and Resettlement Framework</i> that outlines the approach required to achieve and document FPIC based on the definition of the project footprint and specific impacts. These have been finalised following approved by the IFC

ESAP 4a	The Company will develop an overarching human resource policy (HR) for Kenya and Ethiopia, which will make reference to Performance Standard 2 and ILO conventions, and will include associated country specific implementation procedures		Closed	Tullow Kenya has an Employee's Handbook that includes a Human Resources Policy. This has been reviewed by the IFC and confirmed as acceptable.
	(ii) The Company will develop a Retrenchment Framework Plan that aligns with the requirements of Performance Standard 2 and that should be utilised in cases of collective dismissal by the Company and/or contractor/subcontractor		Closed	Tullow Kenya follows national law and conformance with IFC requirements regarding retrenchment. It has prepared plans for previous retrenchment requirements. For any future retrenchment, specific plans will be prepared.
	(iii) The Company will develop and implement a formal internal grievance mechanism applicable to all employees and workers employed at Company's sites by contractors and sub-contractors.		Closed	Framework document has been produced and approved by IFC.
		Closed.	Tullow Kenya has an Employee's Handbook that includes a Human Resources Policy. This has been reviewed by the IFC and confirmed as acceptable.	
ESAP 4b	The Company will prepare a security risk assessment and develop Security Management Plans that are aligned with Performance Standard 4. These will be reviewed and updated as the project evolves.		Closed	Framework document has been produced and approved by IFC.
			Closed	Tullow Kenya has prepared Security Management Plans for ongoing activities, and submitted these and supporting studies to IFC for review and they have been confirmed as acceptable. Updates will be reviewed during future IMG reviews as required.
ESAP 5.1	The Company will develop Land Acquisition and Livelihood Restoration (LALR) Plans for each of the two countries (Kenya, Ethiopia).		Closed	Framework document has been produced and approved by IFC.
		Q2 2020	In Progress	A draft Land Access Strategy and draft Land Access and Resettlement Framework (LARF) has been prepared for the South Lokichar Foundation Phase project. This is in progress while procedures for any supplementary benefits and entitlements are being finalised. A supplementary action plan based on the government-led land acquisition will require to be submitted to the IFC for review.
ESAP 5.2	The Company will redesign its compensation plan in Ethiopia to incorporate procedures to compensate prior to commencing work, vacating		Closed	Compensation Plan redesigned and the Management of Change provided to IFC as evidence.

	land and any potential damage that could occurred after seismic survey.			
ESAP 6.1	i. The Company will develop a biodiversity strategy for Kenya as described in the ESRS.		Closed	AOC have issued a Biodiversity Management Strategy (KE/ESG/FRM/BD/2017/8) that has been aligned with the Operators Biodiversity Management Framework that has been accepted by the IFC (see below).
			Closed	For blocks where Tullow Kenya is the Operator, a Kenya Biodiversity Management Framework has been produced and accepted by the IFC. In the event that critical habit is identified in later stages of the project or in new areas, then the strategy will require to be updated to address the relevant PS requirements.
			Closed	A biodiversity panel has been set up and a Terms of Reference agreed (commented on by the IMG during the fourth review). This first panel meeting was held in early April 2018 and the second meeting was held in January 2019.
	ii. The Company will develop a similar plan prior to any substantive work related to development of successful wells in Ethiopia		Closed	Ethiopia blocks have now been relinquished.
ESAP 7	The Company will prepare and submit ESIs to IFC addressing local regulatory requirements and IFC Performance Standards in any case where wells progress to production. These will be presented to IFC for review and approval at least four months prior to start of any substantive construction.		Closed	AOC commissioned an ESIA for the potential exploratory drilling well at Lake Abaya. The ESIA was completed in Q2 2018.
		Q2 2020	In Progress	Tullow Kenya has completed ESIs/ SSAs or will produce SSAs for all exploration and appraisal activities currently underway and planned for 2020. An ESIA for the EOPS was completed in Q4 2018 and the South Lokichar Basin FFD Foundation Phase ESIA is expected to be completed in Q2 2020. The LLCOP ESIA was submitted to NEMA in Q4 2019 and an Addendum and Supplementary Assessment against IFC PSs is due Q2 2020.

Note: grey shaded items are closed.

5. ASSESSMENT AGAINST IFC PERFORMANCE STANDARDS

5.1 Introduction

The focus of the seventh IMG review was the draft South Lokichar Foundation Phase ESIA and the LLCOP submitted ESIA. A number of observations from previous IMG reviews were to be addressed in these ESIA's. Comments on these ESIA's, with respect to conformance with the IFC PS and associated guidance, are presented in Appendix B and Appendix C. Comments have been provided by exception, i.e. where the ESIA's address the issue satisfactorily then no comment has been made. In some cases, recommendations are made to address potential gaps in the future stages of the project, for example the need to keep SEPs under review and updated.

In general, the IMG considered that the ESIA's were well structured and comprehensive. For the Draft Foundation Phase ESIA, the gaps to be addressed in the final ESIA were identified so no comment has been made on these at this stage. For the LLCOP ESIA, gaps have been identified to aid the planned Supplementary Assessment to address IFC PS issues.

5.2 Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts

5.2.1 *Environmental and Social Assessment Management Systems, Policy, Identification of Risks and Impacts, and Management Programmes (Rev1-PS1-1, Rev2-PS1-1, Rev7-PS1-1)*

Previous IMG reviews identified the need to finalise and make the various EHS management plans and procedures fully operational and issued as controlled documents. These need to be incorporated within an integrated Environmental and Social Management System (ESMS) to demonstrate that project risks and impacts are being managed systematically. It was reported in the sixth review that current approved and controlled documents are stored in the Operators Integrated Management System (IMS), however, access to this was not available to the IMG for that or the current review therefore this action remains open. Finalisation of the ESMS and its associated controlled documents is required as these are key documents describing how current and future project risks are to be identified and managed.

The Draft Foundation Phase ESIA did not include an ESMP, which was to be included in the final ESIA. The ESMP will require to follow the guidelines in PS1 (i.e. paragraphs 5, 13-18, 22-24) and the mitigation, management and monitoring commitments incorporated into the overall Foundation Phase Project ESMP and associated sub-plans and procedures.

It is expected that a final ESIA, Project ESMS and ESMP, listing relevant controlled documents, will be provided at the next IMG review.

5.2.2 *Environmental and Social Assessment Management Systems, Policy, Identification of Risks and Impacts, and Management Programmes (Rev6-PS1-1)*

As part of the previous IMG review, an HSEC appraisal of the Interim Trucking Project was undertaken. A number of issues were raised at that review, however, for the current review as the trucking operations had been suspended so it was not possible to verify if all these had been addressed. These are summarised below (see also comments under PS4 below).

- Absence of appropriate accommodation provided at overnight rest stops resulted in drivers sleeping in their cabs that was considered to present an unnecessary risk to driver alertness during the day, particularly given the condition of some parts of the roads used. Driver allowances should be reviewed so that better overnight accommodation provision is used to address this issue. The Operator has stated that this issue has now been addressed.
- Although the crude oil is viscous at ambient temperature, it is heated and maintained in a liquid state during transport therefore a spill has the potential to impact soil and water. The agreed emergency procedures for dealing with Tier 1 and Tier 2 oil spills included the use of containment

spill kits to prevent contamination of watercourses. The trucks transporting the isotainers did not have a spill kit compatible with a crude oil spill of this magnitude with one small spill kit, suitable for a Tier 1 oil spill, being provided in an escort vehicle. The requirements for handling Tier 2 spill require to be reviewed and appropriate equipment and training in its use provided to the contractors, as required under the EOPS Oil Spill Response Contingency Plan (T-KE-HSS-PLN-0114). The Operator has stated that an oil spill exercise was undertaken in 2019.

- There is the need to review the written loading and offloading procedures to align them with the actual operations that they have been established. The Operator has stated that this issue has now been addressed.
- On-going documentation and review of the drivers' routine vehicle inspections will help to identify and register developing automotive and safety issues. The Operator has stated that this issue has now been addressed.

5.2.3 Stakeholder Engagement, Disclosure of Information and Grievance Mechanism (Rev1-PS1-4, Rev 6-PS1-3, Rev 7-PS1-1)

Previous IMG reviews have reported that the *Pre-development Stakeholder Engagement Plan for the South Lokichar Basin* (T-KE-ESP-FRM-0002) had been issued as a controlled document and was being implemented appropriately, including recording of grievance and forced engagements the on the Borealis stakeholder management software. Stakeholder engagement continued through the EOPS ESIA and the FFD Foundation Phase ESIA. The current SEP was provided in the draft Foundation Phase ESIA and ongoing engagement and disclosure was underway during the time of the current review. The public disclosure meetings were led by Tullow Kenya and issues raised have been recorded in the Project Borealis system and shared with Turkana County Government (TCG) representatives.

During the site visit as part of the current review it was reported that the Ministry of Petroleum Project Engagement Officers are providing assistance in stakeholder engagement activities, particularly around land access issues and community grievances. It was also reported that TKBV has aligned its grievance management procedures so that any grievances raised are elevated to the GoK Turkana Grievance Management Committee to aid the management of community grievances.

It is noted that the stakeholder engagement process has been delayed, partially due to flooding preventing access to some areas such as West Pokot and latterly due to suspension of operations due to the Covid-19 pandemic.

When operations recommence then it will be important to continue with disclosure and stakeholder engagement with the current SEP being reviewed and updated as the project progresses, particularly through the land acquisition process (led by the National Lands Commission) and coordinated with the requirements of the Resettlement Action Plan (RAP) and the LARF. As the land access and any required resettlement is government led, the Operator will require to develop its SEP and related procedures to align with that process and to meets its Project requirements and commitments. A further review and update of the SEP will therefore be required prior to commencement of construction activities with a focus on localised disclosure on community health and safety issues, land access issues and the grievance mechanism.

5.2.4 Organisational Competency, Capacity and Training (Rev-3 PS1-2)

In previous IMG reviews the Operator provided a draft procedure for addressing human resource planning and evidence of training calendars, training request forms and examples of training attendance records for staff. In addition, a framework addressing training and capacity building for local contractors was provided (T-KE-LOC-FRM-0001).

In preparation of the FFD Foundation Phase activities, these procedures and frameworks will need to be finalised and operationalised to ensure and demonstrate that a robust process is in place, and to fulfil the requirements of IFC PS1. Due to project delays, a final Resource Planning Procedure, along with relevant Competency Frameworks for key HSE and stakeholder engagement roles has not been finalised, however, the Operator will require to identify the key roles and increase capacity prior to the increase in Project activities to ensure that the required staff capacity and competencies have been

identified and resourced. In addition, in future reviews once the FFD Foundation Phase activities commence, the IMG reviews will include details of AOC's role in the Project Board, the Project's ESG reporting requirements, and the outcomes of any audits and reviews regarding organisational competency, capacity and training.

5.3 Performance Standard 2: Labour and Working Conditions

5.3.1 Contractor Management and Monitoring (Rev1-PS2-1)

The Operator has issued *Implementation Guidelines for Contractors for Labour (Industrial Relations)* (T-KE-HRS-GUD-0006), which provide a set of guidelines to support contractor compliance with the Operator ESMS. It also provides a framework for quarterly auditing of contractors. At the previous IMG review it was stated that a *Contractor Non-Technical Risk Management Procedure* is being prepared but was not currently available. These guidelines and procedures require to be referenced in the ESIA and the associated ESMP to ensure alignment with the mitigation measures developed through the ESIA processes. As management and monitoring of contractors is considered by the IMG to be key project risk, the existing guidelines and procedures should be updated to incorporate relevant ESIA findings and mitigation. It is expected that these procedures and guidelines will be operational and final documents will be ready for review during the next IMG review.

5.3.2 Contractor Management and Monitoring (Rev5-PS2-1)

During the previous IMG review the issue of late payments was raised by contractors and it was reported that grievances associated with late payment of wages or late payment of contracts were being registered under the community grievance mechanism as small, locally based, contractors did not have another system to raise these issues. It was reported that the Operator has a Key Performance Indicator (KPI) of 30 days for payment to contractors as well as a Contractor Human Resources Forum (referenced in the updated *Implementation Guidelines for Contractors for Labour (Industrial Relations)* (T-KE-HRS-GUD-0006)). It was not possible to verify at the current review, due to the low level of current activities, if the payment processes had been improved through these measures and the issue had been resolved. The Operator stated that initial delays in payments by the Interim Trucking contractors to local sub-contractors had been resolved through capacity building provided by Technoserve, Invest in Africa and the Youth Empowerment Institute. It was noted, that the issue of late payments was not identified in the Grievance Analysis provided for the current review covering the period November 2019 to February 2020. It is understood that monitoring of performance and recording of grievances recorded by contractors are being logged on the Operator's Borealis software, which will provide an important grievance tracking system.

5.4 Performance Standard 3: Resource Efficiency and Pollution Prevention

5.4.1 Consumption of Water and Energy (Rev 3-PS3-5, Rev7-PS3-1)

For the FFD Foundation Phase, the decision was taken to source water from the Turkwel dam, following a series of FEED studies demonstrating that there was sufficient water supplies for the project and community needs. This will require new water intake infrastructure, a new pipeline and six community offtake points (five in Turkana and one in West Pokot). The Review of the draft ESIA, as part of the current review, identified that there was a close schedule dependency between the provision of water from the Turkwel dam and the FFD project requirements. The risks and implications of any delay to the Turkwel dam water source coming on stream to the project water requirements should be assessed as part of the current ESIA process and appropriate alternative sources and mitigation measures should be developed.

5.4.2 Greenhouse Gases (Rev5-PS3-1)

Under PS3 Paragraph 8, for projects that are expected to or currently produce more than 25,000 tonnes of CO₂- equivalent annually, direct emissions from the on-site facilities and indirect emissions associated with the off-site production of energy used by the project should be quantified. The current FFD Foundation Phase Project *Greenhouse Gas (GHG) Management, Air Emissions and Effluent Discharges Plan* (October 2018) states that GHG emissions will be addressed in the FFD Foundation

Phase ESIA based on estimates to be provided during the ongoing FEED processes. The draft ESIA reported an assessment of alternatives to deal with excess gas being produced over the first six years of production (with a significant reduction estimated to occur after year four). This included the potential to generate electricity using gas turbine generators (GTG) and connect to the existing electricity grid. However, as none of the alternatives being investigated are considered to be technically feasible at this time, the ESIA assumed that the excess gas would be flared. The KJV has stated that the investigation into alternative uses of the excess gas will continue through the project design phase to identify opportunities for improvement measures. As part of the Project ESMS, and GHG inventory is required, along with a schedule of periodic reviews of GHG performance during operations, and a system developed for annual quantification of project emissions, in accordance with internationally recognised methodologies and good practice.

5.4.3 Waste Management (Rev5-PS3-2)

The FEED contractor (Worley Parsons) summarised the previous work undertaken to inform the waste management requirements for the FFD Foundation Phase Project in the *Kenya South Lokichar Foundation Project Integrated Waste Management Philosophy- FEED Phase 1* report (September 2018). The FEED contractor will further develop the design of the required facilities, including potential landfill locations, to inform FEED Phase 2 following further engineering studies, geotechnical evaluations and stakeholder engagement. The IMG will review project-specific waste management plans and practices as the FFD Foundation Phase Project develops in future IMG reviews. The draft ESIA provides a summary the proposed Waste Management Facility and the waste management processes. It is understood that there is a proposal to consolidate the drill cuttings from previous wells in one location at the Twiga-1 well site, subject to approval from TCG. Progress with this issue will be reviewed at the next IMG review.

5.4.4 Air Quality (Rev7-PS3-2)

Comments on the air quality modelling work reported in the draft FFD Foundation Phase ESIA have been provided in Appendix B. Specific comments on gaps in the assessment (including reporting the full modelling results and calculating ground level concentrations) have been made, along with the requirement to ensure that the design of proposed mitigation measures and monitoring against emission standards are aligned with World Bank Group sectoral guidance: Onshore Oil and Gas Operations, Thermal Power, and Waste Management Facilities.

5.5 Performance Standard 4: Community Health, Safety and Security

5.5.1 Health Profiles of Potentially Affected Communities (Rev1-PS4-1)

The FFD Foundation Phase ESIA has addressed the health baseline conditions and the risk of community exposure to disease, of the potentially affected communities. This work will input into the developing the *Community, Health, Safety and Security Management Plan*.

5.5.2 Emergency Response Plan (Rev1-PS4-2)

During the previous review, the Operator reported that the Awareness and Preparedness for Emergencies at the Local Level (APELL) plans were undergoing validation and that an oil spill response exercise was to be undertaken by Oil Spill Response Limited (OSRL) and to include Operator staff, contractors (including tanktainer drivers), regulators and other stakeholders. This was planned for Q1 2019 and the Operator has stated that this was carried out. Training was also planned to be provided to the Turkana Country Government and community leaders on the use of Personal Protective Equipment (PPE) to be issued to people who may be employed to support any oil spill clean-up operations, however, the Operator has stated that this has been delayed. A report on the outcomes of the exercise, any lessons learnt and updates made to Emergency Response and APELL plans should be made available for the next IMG review.

5.5.3 Emergency Response Plan (Rev7-PS4-1)

During the briefing for the site visit, the IFC requested that AOC develop a reporting protocol for all environmental and social incidents and accidents, including reporting schedules and disclosure to the

IFC and the public. The IMG understands that AOC will develop a protocol and will make it available to for the next IMG review.

5.5.4 Fatal accident investigations related to the EOPS trucking Operations (Rev7-PS4-2)

A road traffic accident occurred during the EOPS oil trucking operations on 21st November 2019 in which a nine-year-old boy lost his life. The operator called an immediate safety shutdown following the accident and an investigation was undertaken and a Correction Action Plan agreed.

The transport contractor Multiple Hauliers East Africa Ltd (MHEAL) was required by the Operator, to initiate and conduct an investigation into the incident. MHEAL hired an independent accident investigation analyst to undertake the investigation and the report was provided to the IMG. The report was illustrated with diagrams and photographs and identified a number of root causes. The outcome of the IMG review of that report is provide below. A number of other documents and statement were provided to the IMG addressing the corrective actions arising from the accident investigation report and these are also summarised below.

At the time of the review, the IMG did not have sight of relevant MHEAL EHS documents such as the Journey Management Plan (JMP) Procedure, Convoy Management Procedure and the Trip Card. These documents would have provided useful information on whether the driver had adhered to the relevant journey plans with respect to start and stop times and mandated rest stops and these were not addressed in the accident report. The report indicated that the driver did not have breakfast with the other drivers in the convoy but it is not clear if there were any underlying reason for this or rule out driver fatigue as a subsidiary cause. Reference was also made to an unauthorised stop that led to the driver's falling 10 km behind the main convoy indicating that the Escort Commander did not use the rest stops as a regrouping point so that all drivers were accounted for.

The Trip Card would also have provided useful information on the specific journey plan instructions captured as well as driver attendance at tool box talks and the results of the breath alcohol tests required in the MHEAL procedures. It is not known if the corrective actions raised from the driver's twelve previous harsh braking infractions, distracted driving, and poor hand positioning on the steering wheel were posted on the Trip Card as required by the Journey Management Procedures.

One root cause identified in the Accident Report was the serious lack in following up on identified gaps in driver training. During the driver assessment by an external assessor, weaknesses in the driver during the practical session were identified. It was stated that the driver gaps had been closed out and verified, however, the IMG did not have sight of evidence to demonstrate that the driver had addressed these issues and a record of sign-off by the Escort Commanders, IVMS/Control room supervisor or other MHEAL management representative.

Another root cause was identified as a lack of clear responsibilities and accountabilities for the Contractor's Driving Academy Principal. It is unclear if the principal's responsibilities with respect to driver training, mentorship, allocation and management included sign-off on the closure of gaps in driver performance.

The report also identified deficiencies with the monitoring of the IVMS systems by MHEAL management at the Control Centre in Nairobi. It was not clear from the report if the Operator had been reviewing records from the MHEAL Control Centre as the Operator had only recently been granted access to view the Mix Telematics system. The Operator has since stated that they have access to the systems and received weekly reports as well as real time alerts in case of driver violations.

The report concluded with a series of specific actions, however, the immediate mitigation/interventions did not in all cases identify the responsible party or give a firm target date to address the issues. Many of the recommended actions are SMART (Specific, Measurable, Achievable, Realistic and Time bound) and can be tracked to closure, however, those that apply to the Operator are not specific and do not have firm time lines. The Operator has stated that the additional Operator actions were separately handled outside the formal report with timelines and status provided in EOPS SteerCo meetings. The IMG did not have sight of documents addressing this at the time of the review.

Subsequent to the accident investigation report, the Operator has stated that there were no issues identified with driver fatigue as the rest period was consistent with recommended duty/off duty hours and that the driver was in compliance with the JMP, apart from one instance of dropping off the convoy at the start of the journey and that this was identified as a gap in the procedures. The Accident Report did not reference industry guidance with respect to accidents such as the International Association of Oil and Gas Producers (2016) ⁽¹⁾.

A series of corrective actions have been provided in a Corrective Action Plan (CAP) including improvements to the contractor's driving school and fleet/journey operations, requiring tool box talks and alcohol breath tests to be recorded at every overnight rest stop. Based on the corrective actions put in place by MHEAL, the report concluded that the majority of the actions had been closed off. This conclusion was supported by inclusion of copies of relevant documentation such as an updated route hazard map, an updated tracking procedure and revised JMP policy and procedures.

The IMG considered that the corrective actions provided in the CAP were appropriate to address the key issues identified. As trucking had not recommenced at the time of this report it is not known at this stage how these corrective actions will be developed, implemented and audited to ensure effectiveness. Given the identified lack of effective oversight of the activities by MHEAL and the oversight of MHEAL by the Operator, updating the Project EMS to establish a programme of contractor oversight and audit, as well as an ongoing review process of procedures will be key requirements prior to trucking operations recommencing. Evidence of this oversight and outcomes of reviews should be provided at the next IMG review.

5.6 Performance Standard 5: Land Acquisition and Involuntary Resettlement

5.6.1 Land Access and Resettlement Framework (Rev5 PS5-1, Rev7-PS5-1)

The updated *Draft Land Access and Resettlement Framework (LARF)* (December 2019), *Proposed Upstream Land Access Principles* (March 2020) and *Draft Upstream Land Access Strategy* (March 2020) were provided to the IMG for review.

These draft documents outline specific measures for managing project related physical and economic displacement and summarise the supplementary actions required by the KJV, beyond statutory processes, to meet IFC PS5 requirements.

The overall process, aligned with PS5, is summarised in the Draft LARF (dated November 2019) and which identifies that the development of a Resettlement Action Plan (RAP) and Livelihood Restoration Plan (LRP) are required as key parts of the process to ensure that adequate compensation and livelihood restoration measures are implemented prior to construction commencing. In addition, the LARF identifies that specific requirements for vulnerable people are required.

The RAP and LRP require details to be provided on the measures to resettle affected households and restore livelihoods. These will need to include a census and an entitlements framework outlining statutory and supplementary compensation measures (cash and in-kind measures) to ensure adequate compensation is paid to affected households. The ESIA describes that livelihood restoration support will be provided through Community Development Plans (CDPs), however, livelihood restoration measures form part of the entitlements of affected households and therefore should be targeted specifically at households and tailored to restore livelihoods.

It is noted that the Draft LARF, RAP and LRP will be replaced by an upstream Land Access Strategy, Resettlement & Livelihood Restoration Framework and a Resettlement & Livelihood Restoration Plan. These documents will essentially address the same issues in the draft LARF and will be reviewed at the next IMG review.

5.6.2 Physical Displacement (Rev7-PS5-2)

The FFD ESIA defines temporary and permanent restrictions on use of land. According to the draft upstream Land Access Strategy (dated 11 March 2020) a total of 6,888 ha have been gazetted by the GoK for the upstream Project of which the Project facilities will require 1,363 ha. Within the Project

(1) International Association of Oil and Gas Producers (2016). Land transportation safety recommended practice. Report no 365

area, physical structures have been mapped with some 130 homesteads identified as potentially being lost to the Project. Micro alignment of Project infrastructure is proposed to avoid physical displacement where possible. In addition to the loss of households, there will be temporary land access restrictions during construction activities. Agreements enabling access to the gazetted land that is not used for Project facilities must be documented in the LRP and in community agreements.

5.6.3 Community Engagement and Grievance Mechanism (Rev7-PS5-3)

In addition to the stakeholder engagement and grievance management requirements under PS1, the RAP and LRP must specify an engagement approach with affected individuals and households, including detailed stakeholder analysis and a consultation schedule required prior to commencement of construction. Since the project has the potential to affect indigenous peoples as defined in the PS7 criteria, the community engagement and grievance mechanism will need to include relevant requirements under PS7. Details of this process requires to be presented LARF. The grievance mechanism should be established at the early stages of the Project and the RAP and LRP should include a specific process for addressing livelihood-based grievances. In addition, methods for disseminating information about the grievance process and accessibility requires to be detailed in the documents, including how it will be communicated to and accessed by pastoralists, vulnerable groups and women.

5.7 Performance Standard 6: Biodiversity and Sustainable Management of Living Resources

5.7.1 Baseline Biodiversity and Habitat Assessment; Ecosystem Services Screening; Conservation Significance Mitigation; Supply Chain Sustainability Assessment; and Monitoring and Evaluation Criteria (Rev1-PS6-1, 6-2, 6-3, 6-5, 6-6, 6-7, 6-8, Rev2-PS6-9), Biodiversity Action Plan (Rev1-PS6-4, Rev7-PS6-1).

It was reported in previous IMG reviews that several elements of IFC PS6 were being assessed through the FFD Foundation Phase ESIA. These included habitat mapping, Ecosystem Services, the sustainability of natural resources supplied to the project, and monitoring and evaluation criteria for biodiversity impacts.

THE FFD Foundation Phase ESIA addresses potential impacts to biodiversity and ecosystem services and applies the mitigation hierarchy to identify priority biodiversity values including for natural and critical habitat values. References is made in the ESIA to a Critical Habitat Assessment (CHA) and critical habitat triggers, which is to be included as an Annex to the final ESIA. This Annex was not available for the current review.

From the available information, it was not clear how the natural and modified habitats were defined based on land classes. This may be in the ESIA Annex that was not available for review, however, the IMG considers that greater clarity and evidence is required in the ESIA itself, for example tabulated with photographic and botanical evidence. The biodiversity assessment would also benefit from cross-referencing the potential induced impacts due to project activities such as human influx impacts (hunting poaching, vegetation clearance) so that mitigation can be defined, especially for critical habitat values.

As critical habitat was triggered for several species, a no-net-loss/net gain assessment and Biodiversity Action Plan (BAP) will be required for the Project. The BAP, when developed, should include details on how mitigation would be applied, the approach to adaptive management and a long-term biodiversity monitoring and evaluation program.

The ESIA biodiversity annex, relevant parts of the ESMS addressing protection of biodiversity and ecosystem services values, and the BAP should be reviewed by the IMG and the Project Biodiversity Panel when available and prior to commencement of construction.

5.7.2 Restoration Activities (Rev2-PS6-10, Rev7-PS6-2)

At the fifth IMG review the *Line Clearance and Restoration Guidelines (T-KE-EHS-GUD-0003 Rev 02)* was provided, which outlined the approach to manage restoration of disturbed sites. A number of sites that are no longer required have been or are planned to be restored. This is likely to include scarifying the ground, planting grass seed, planting trees if required and removal of invasive species. Although the Operator has a number of available trees in the nursery set up at Nakukalus, without a practical watering regime and on-going protection against browsing, tree planting is unlikely to be successful in some areas (e.g. at locations distant from any communities that could be involved in the required maintenance programme).

It was reported at the current review that the Operator and the TCG are holding discussions on approaches to restoration and to develop a formal process of site hand-over. As restoration requirements are site-specific, there is a requirement to have an overall restoration framework with the approach for each site to be agreed on a case-by-case basis.

To address the PS6 requirements, the restoration guidelines require to be updated, drawing on lessons learnt from restoration activities undertaken to date and incorporating the outcomes of the discussions with the TCG. The guidance should include monitoring and maintenance schedules, where required, for future site restoration practices.

5.7.3 Management of Invasive Species (Rev2-PS6-11)

The final *Invasive Species Management Procedure* is still under development and will be operationalised following internal review. No updated document has been reviewed by the IMG as part of the current review. When completed, the procedure should be incorporated into site specific EHS MPs and Site Restoration Plans to meet the requirements of PS6.

5.8 Performance Standard 7: Indigenous Peoples

As the project has the potential to affect indigenous peoples, as defined in PS7, an Indigenous Peoples Plan will be required. This should include the requirements on community engagement and the grievance mechanism discussed above as well as integration with the proposed Community Development Plans. Implementation of FPIC will continue to be monitored during future IMG reviews, particularly with respect to the requirements of the LARF, as discussed under PS 5.

5.9 Performance Standard 8: Cultural Heritage

There are no current actions or recommendations on this issue. Implementation of the procedure will be monitored during future IMG reviews.

Table 5.1 Evaluation of IFC Performance Standard Requirements

Review Date/ Reference	Category	Summary of Findings	Actions	Responsibility and Timing/Revised Timings	Current Status/Comment on Progress	Current IMG Rating
Performance Standard 1 Assessment and Management of Environmental and Social Risks and Impacts						
Dec 2015 Rev1-PS1-1 Jun 2016 Rev2-PS1-1 Feb 2018 Rev7-PS1-1	<i>Environmental and Social Assessment Management Systems, Policy, Identification of Risks and Impacts, and Management Programmes</i>	Previous IMG reviews identified that the various project and Company documents were a combination of controlled documents and uncontrolled documents and draft reports without issue dates and revision/status.	ESMP and associated documents should be finalised and operationalised to demonstrate that a robust process is in place to identify and manage project risks, as required by PS1.	Operator HSE and SP Teams with respect to their relevant operations. Prior to commencement of construction activities.	In Progress The FFD ESIA has been drafted therefore the ESMS and ESMP and associated plans and procedures require to be finalised and operationalised	Level I Action required to address this issue to avoid future risks
Jan 2017 Rev3-PS1-2	<i>Organisational Competency, Capacity and Training</i>	The Operator reported that an annual review of planned activities, resource requirements and training needs is undertaken and that the requirements are reviewed when there are significant changes to planned activities. The operator is developing a Human Resources Procedure including competency frameworks. It was reported that some of these have been completed and others are under development.	It is expected that the Human Resources Procedure will be finalised and operationalised to ensure and demonstrate that a robust process is in place prior to increased work activities, and to fulfil the requirements of PS1.	Operator HR Department Prior to commencement of construction activities.	In Progress A Human Resources Procedure is being developed.	Level I Action required to address this issue to avoid future risks
Dec 2019 Rev 6-PS1-1	<i>Environmental and Social Assessment Management Systems, Policy, Identification</i>	As part of the previous IMG review, an HSEC appraisal of the Interim Trucking Project was undertaken. The trucks transporting the isotainers did not have spill kits capable of handling a crude oil spill of this	The requirements for handling Tier 2 spill require to be reviewed and appropriate equipment and training in its use provided to the contractors, as required under the EOPS Oil Spill Response	Operator HSE team Evidence that changes have been made or are planned prior to	Open No update on these actions were available for the current review.	Level I. Corrective action required to avoid risks when trucking recommences.

Review Date/ Reference	Category	Summary of Findings	Actions	Responsibility and Timing/Revised Timings	Current Status/Comment on Progress	Current IMG Rating
	<i>of Risks and Impacts, and Management Programmes</i>	<p>magnitude with one small spill kit, suitable for a Tier 1 oil spill, being provided in an escort vehicle and the drivers reported that they had only been trained in diesel fuel spill handling</p> <p>There was an absence of appropriate accommodation provided at overnight rest stops (with drivers sleeping in their cabs).</p>	<p>Contingency Plan (T-KE-HSS-PLN-0114).</p> <p>Overnight allowances for meals and accommodation of a good standard is required to address this issue.</p>	recommencement of trucking operations.		
Performance Standard 2 Labour and Working Conditions						
Dec 2015 Rev1-PS2-1	<i>Contractor Management and Monitoring</i>	Previous reviews of contractor management and performance monitoring was identified as a residual project risk.	The <i>Contractor Non-Technical Risk Management Procedure</i> (which covers the expectations of contractors and their key obligations for delivering a Non-Technical Risk Management Plan for their specific activities) requires to be finalised for existing contractors operating in the field (for example the Interim Trucking Project and for EOPS) and for the FFD construction phase.	Operator EHS Team It is expected that these procedures will be finalised and made operational over the next review period.	In Progress <i>Contractor Non-Technical Risk Management Procedure</i> is undergoing a review and update and was not available for the current IMG review.	Level I Action required to address this issue to avoid future risks
Performance Standard 3 Resource Efficiency and Pollution Prevention						
Mar 2018 Rev5-PS3-1	<i>Greenhouse Gas Emissions</i>	<p>The Operator collates companywide CO₂ emissions through Procedure (T-KE-ESP-PRO-0004) and (T-ESP-PRO-0001).</p> <p>The FFD ESIA reported the project specific emissions, assuming a worst case of flaring excess associated gas. Further design work is ongoing to evaluate alternatives.</p>	A procedure for the annual collation and reporting of greenhouse gas emissions at project level should be prepared. Where emissions are estimated to be more than 25,000 tonnes per annum then options to improve efficiency and preventative maintenance plans will be required.	Operator EHS Team Project-specific procedure to be developed following a decision on options for dealing with excess associated gas, expected at the end of Q2 2020	In Progress Data on predicted project emissions is being reported once alternative options fully evaluated.	Level I Action required to address this issue to avoid future risks

Review Date/ Reference	Category	Summary of Findings	Actions	Responsibility and Timing/Revised Timings	Current Status/Comment on Progress	Current IMG Rating
Performance Standard 4 Community Health, Safety, and Security						
Feb 2020 Rev7-PS4-1	<i>Community Health, Safety and Security</i>	A review of the fatal accident investigation reports and Corrective Action Plan (CAP) was undertaken. The information provided was incomplete with a number of key documents missing. The CAP addressed the key issues identified and supporting documents addressed the root causes and gaps in H&S management processes.	The CAP procedures require to be finalised and implemented by the Haulier and the Operator. The Operator requires to establish and operate a system of routine oversight, audit and review of the trucking operations and procedures based on GIIP (such as the International Oil and Gas Producers' guidance). This should be integrated into the Project HSE Management System.	Operator HSE Team Corrective actions/review procedures to be completed and implemented prior to recommencement of trucking operations.	Open The trucking operations are currently suspended. Once recommenced, then routine oversight and review of these activities is required.	Level I Action required to address this issue to avoid future risks
Performance Standard 5 Land Acquisition and Involuntary Resettlement						
Mar 2018 Rev5-PS5-1 Feb 2020 Rev7-PS5-1,2,3	<i>Land Access and Resettlement Framework</i>	A revised <i>Land Access and Resettlement Framework (Dec. 2019)</i> and associated strategy was reviewed and is generally aligned with PS 5. This document defines a revised land acquisition process, decoupling the GoK led statutory land acquisition process from KJV's commitments for PS 5 alignment, including supplementary compensation.	Finalise the Land Access and Resettlement Framework, confirming the actions required to bridge the gap between GoK and IFC PS 5, including the provision of supplementary payments to achieve full replacement cost. Develop RAP and LRP to settle affected households and restore livelihoods. These plans must also specify an appropriate stakeholder engagement process and grievance mechanism for affected individuals and households, including affected indigenous peoples as per PS7 requirements.	Operator Social Performance Team Final LARF, RAP and LRP to be made available at the next review.	In Progress Procedures for full replacement cost to be decided and incorporated into LARF. RAP and LRP to be developed.	Level I Action required to address this issue to avoid future risks

Review Date/ Reference	Category	Summary of Findings	Actions	Responsibility and Timing/Revised Timings	Current Status/Comment on Progress	Current IMG Rating
Performance Standard 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources						
Dec 2015 (Rev1-PS6-1, 6-2, 6-3, 6-5, 6-6, 6-7, 6-8, Jun 2016 Rev2-PS6-9) Feb 2020 Rev7-PS6-1	<i>Baseline Biodiversity and Habitat Assessment; Ecosystem Services Screening; Conservation Significance Mitigation; Supply Chain Sustainability Assessment; and Monitoring and Evaluation Criteria</i>	It was reported in previous IMG reviews that several elements of IFC PS6 were being assessed through the ESIA for the FFD Foundation Phase Project. These included habitat mapping, Ecosystem Services, the sustainability of natural resources supplied to the project, and monitoring and evaluation criteria for biodiversity impacts. The draft ESIA was provided for review, however, the relevant biodiversity Annex was not available. Critical Habitat has been identified within the Project area	The biodiversity Annex to be completed and key findings included in the ESIA. The ESMP developed from the ESIA and the BAP should address monitoring and evaluation criteria for biodiversity impacts.	Operator HSE Team The Final ESIA, along with the Annex reporting on the outcome of the habitat assessment work is due by the end of Q2 2020. The ESMP and BAP will be required prior to commencement of FFD construction activities.	In Progress Outputs from the habitat mapping study to be included in the Final FFD Foundation Phase ESIA, along with mitigation measures within the ESMS and outline BAP to evidence the assessment and mitigation process.	Level I Action required to address this issue to avoid future risks
June 2016 Rev2-PS6-10 Feb 2020 Rev7-PS6-2	<i>Restoration activities</i>	<i>Line Clearance and Restoration Guidelines (T-KE-EHS-GUD-0003 Rev 02)</i> outlines the general approach to managing restoration of disturbed sites. A number of sites that are no longer required have been or are planned to be restored and a site specific approach requires to be developed.	The restoration guidelines require to be updated, drawing on lessons learnt from restoration activities undertaken to date and incorporating the outcomes of the discussions with the TCG. The guidance should include monitoring and maintenance schedules, where required, for future site restoration practices.	Operator HSE Team It is expected that the procedures will be finalised and made operational over the next review period, as restoration projects are underway.	In Progress Pending outcome of discussions with TCG on requirements and standards for restoration and hand-back of sites.	Level I Action required to address this issue to avoid future risks.
Dec 2015 Rev1-PS6-5 Jun 2016 Rev2-PS6-11	<i>Invasive Species Management</i>	It is a requirement of IFC PS6 that the risk of introducing invasive species be assessed and managed, where appropriate, to reduce risks of further transmission and proliferation due to project related activities. The existing invasive species management list is contained in the broader Kenyan Biodiversity Management Plan.	An <i>Invasive Species Management Procedure</i> should be produced to relate to site-specific requirements and incorporated into site specific EHS MPs.	Operator HSE Team It is expected that the procedures will be finalised and made operational over the next review period, as restoration projects are underway.	In Progress This requirement should be aligned with the site restoration guideline update described above.	Level I Action required to address this issue to avoid future risks.

5.10 Nigeria Blocks OML 127 and 130

The IMG was requested to undertake a high-level review of AOC's non-operated assets in the Nigerian deep-water offshore producing fields OML 127 and OML 130. This was a desk-based review and the IMG was provided with the following documents.

- POGBV (OML 127 and 130), Delonex Energy, June 2018.
- Engagement Letter for E&S Due Diligence Support on Project Khalessi, IO Oil & Gas Consulting, July 2018.
- Project Kalessi: Environmental and Social Due Diligence, J-00256-EV-REP-0001, IO Oil & Gas Consulting, August 2018.
- Initial E&S Questions for Delonex in relation to the offshore Nigeria assets.
- Nigeria OML 127 & 130 – Total & Chevron Operating Partners Desktop Review, Delonex Energy.

The scope of the IO work was to review available data and identify any non-compliance with Nigerian laws and regulations, the relevant IFC Performance Standards, associated World Bank Group Environmental Health & Safety Guidelines, and the Financial Institute Equator Principles (EPIII).

A summary of the key environmental and social risks identified in the ESDD undertaken in August 2018 is presented below along with recommended actions to address issues as part of an updated ESAP (see Table 5.3). It is noted, however, that as a non-operator, AOC's influence on operational matters is limited.

5.10.1 Key Environmental and Social Risks Identified

5.10.1.1 Compliance with Permitted Limits

The ESDD Review notes that the Agbami FPSO has experienced repeated exceedances of seawater quality related to FPSO and vessel marine discharges across multiple parameters from the ranges allowed in the permit and that both the Agbami and Akpo FPSOs have experienced limited exceedances of some parameters from the range allowed in the permits.

The ESDD Review mentions that the Agbami FPSO only monitors ambient air quality, although the regulations require both ambient and stack air quality monitoring. The ambient air quality monitoring indicates repeated exceedances of air quality standards across multiple pollutants. For the Akpo FPSO, the ESDD Review indicated that both ambient air quality and stack monitoring was conducted and that monitoring results indicated compliance with all statutory limits for air quality, with the exception of suspended particulate matter.

Continued non-compliances with the permitted emission and discharge levels and the monitoring requirements constitute a risk to the assets that could result in fines or revoking of the operating permits. As the Egina FPSO was not operational at the time of the ESDD Review, no emission or discharge data was available for this asset.

5.10.1.2 Flaring

The World Bank EHS Guidelines for Offshore Oil and Gas Developments recommends that continuous associated gas flaring should be avoided, if alternatives are available. Before flaring is adopted, all feasible alternatives for the gas' use should be evaluated to the maximum extent possible and integrated into production design.

Nigeria's *Associated Gas Re-injection Act* requires that every company producing oil / gas must submit to the Minister of Petroleum Resources a programme for:

- the viable utilisations of associated gas produced from a field or groups of field; and
- project or projects to re-inject all gas produced in association with oil but not utilised in an industrial project.

From data included in the ESDD Review, both the Agbami and Akpo FPSOs flare some associated gas, although Agbami flares almost 1700% more than Akpo. As the Egina FPSO was not operational at the time of the ESDD Review, no flaring data was available for this asset. None of the FPSOs are designed to flare associated gas as part of normal operations.

The ESDD Review notes that the high flaring rates for Agbami are primarily related to an issue with the gas compressors and that the operator, Chevron, is taking steps to address this, whilst keeping the regulator informed.

It is noted that the Government of Nigeria, Chevron, Total as well as World Bank are all partners in the Global Gas Flaring Reduction Partnership (GGFR). This public-private initiative aims to reduce gas flaring and increase the use of natural gas associated with oil production by working to remove technical and regulatory barriers, undertaking research, sharing GIIP as well as developing country-specific programmes to reduce gas flaring.

Because the flaring of associated gas is not a planned activity, it would not be considered continuous flaring; however, given the volumes flared, measures need to be actively pursued by the operator to reduce these emissions. Under Nigeria's *Associated Gas Re-injection Act*, there is a requirement to reduce these emissions. As the operator was exploring the root causes of these flaring events in 2018, AOC should determine how the assets are progressing on reducing their flaring emissions to verify that sufficient improvements and the requirements of PS1 and PS3 are being made.

5.10.1.3 Stakeholder Engagement and Grievance Mechanism

It was stated in the ESDD Review that stakeholder engagement activities have been ongoing and that grievance mechanisms are in place. It was also stated that it was unclear if any active stakeholder engagement was conducted as part of the Egina Development EIA, as only disclosure and not engagement is required as part of the EIA. No community grievance logs were provided for the ESDD Review. Without further detail regarding stakeholder engagement activities undertaken, it is not possible to determine if the requirements under PS1 are met. It is noted that for offshore operations stakeholder engagement is typically with other users of the area, including those involved in offshore fishing activities, and that community engagement would be limited to those directly affected.

5.10.1.4 Worker Rights

Concerning general worker rights, the operators both have corporate requirements that broadly align with those set out with PS2, however, no worker grievance logs, nor any specific details on the management of worker rights, were provided for the ESDD Review.

Whilst the risk of a non-compliance may be relatively low given the corporate requirements of the operators, without documentation it is not possible to confirm that the requirement under PS2 are met.

5.10.1.5 Worker Health and Safety

The operators both have corporate Occupational Health Management Systems in place that are ISO 18001 certified. A fatality was identified in the ESDD Review that occurred during the Egina FPSO construction in Korea. No other recordable incidents were identified. Given the significance of worker health and safety issues and the recorded fatality, AOC should review the performance of the assets with regard to health and safety issues to verify robust management of these issues is maintained as required under PS2.

5.10.1.6 Waste Management

The operators both have corporate requirements that broadly align with the waste management measures included in PS3. No detail on waste management were provided for the ESDD Review. Whilst the risk of a non-compliance may be relatively low, given the corporate requirements of the operators, without documentation it is not possible to confirm that the waste management requirements detailed in PS3 are met.

5.10.1.7 *Biodiversity*

No biodiversity monitoring reports were made available as part of the ESDD Review. Given the offshore deep-water location of these assets, the risk of impacts to biodiversity from operations is considered to be low. However, as no information on the assessment of potential impacts from operations or accidental events was provided, the risk to biodiversity from such sources are not known.

5.10.1.8 *Cultural Heritage*

No cultural heritage information was made available as part of the ESDD Review. Given the offshore deep-water location of these assets, the risk of impacts to existing cultural heritage is considered to be low; however, for alignment with PS8, a Chance Finds Procedure should be in place.

Table 5.2 Recommended Actions for Identified Gaps

Topic	ESAP Action	Data Needed	Timing/Frequency	Priority
Flaring	Review monthly flaring data for Akpo, Agbami and Egina FPSOs and any associated fines since April 2018. Compare these flaring results to the ambient air quality monitoring results to determine if there is a correlation.	Monthly volumes of flared gas since April 2018 for Akpo and Agbami. Monthly volume of flared gas for Egina since it became operational.	Conduct initial review	High
	Verify that both operators have submitted their required programmes for associated gas utilisation/ minimisation under the 'Associated Gas Re-injection Act'.	Submissions under the 'Associated Gas Re-injection Act' (both operators).	Conduct initial review	
	Obtain an update from the operators on any measures that have been taken since June 2018 to reduce associated gas flaring, as well as those that are planned. Review any completed actions to determine if there is a correlation in reduced flaring emissions. For any proposed actions, review the expected reduction in flaring emissions.	Details on any measures that have been put in place since June 2018 to reduce associated gas flaring (Agbami especially).	Conduct initial review	
	Obtain an update from both assets on any communications received from the Ministry of Petroleum Resources regarding associated gas flaring.	A summary of flaring-related communications with the Ministry of Petroleum Resources, including any fines (both operators).	Conduct initial review	
	Develop and agree flaring KPIs with the operators.	N/A	Following initial review	
	Review agreed KPIs.	Agreed KPIs	Annual (or more frequent if desired)	
Compliance with Permitted Limits	Review all seawater, stormwater and grey/black water monitoring reports since Dec 2017. Review any associated fine information for this period.	All seawater, stormwater, and grey/black monitoring reports since Dec 2017 (both operators). Copies of the permit conditions for Akpo FPSO, Egina FPSO and Agbami FPSO. Summary of any fines associated with exceedances of any permit levels (both operators)	Conduct initial review	High

	Review all air quality monitoring reports since Dec 2017. Review any associated fine information for this period.	<p>Copies of the air quality monitoring reports for Akpo FPSO and Agbami FPSO since December 2017.</p> <p>Copies of all monitoring reports for the Egina FPSO since it became operational.</p> <p>Copies of the permit conditions for Akpo FPSO, Egina FPSO and Agbami FPSO.</p> <p>Summary of any fines associated with exceedances of any permit levels (both operators).</p>	Conduct initial review	
	Confirm with Chevron that stack monitoring is being conducted on the Agbami FPSO in line with permit requirements.	Copies of any stack test monitoring conducted at Agbami FPSO since 2018.	As part of initial review	
	For any identified repeat exceedances of permitted discharge or emission limits, consult with the operators to determine what measures they are taking to improve compliance.	See preceding actions	As part of initial review	
	Develop and agree KPIs with assets for compliance with permitted emission and discharges.	N/A	Following initial review	
	Review agreed KPIs.	Agreed KPIs	Annual (or more frequent if desired)	
Stakeholder Engagement and Grievance Mechanism	Review community grievances received and how these have been managed and addressed. Determine if there are significant areas of conflict with stakeholders that pose a risk to any asset's social license to operate.	<p>Community grievance logs and records of how managed (from both operators).</p> <p>Records of any stakeholder engagement conducted in support of the Egina EIA (Total).</p>	<p>Conduct initial review</p> <p>Annual review thereafter (or more frequent if desired)</p>	Medium
Worker Rights (General)	Conduct initial review of the worker grievances received and how they have been managed and addressed. Identify if any of the grievances received indicate a potential infringement of workers' rights (as set out in PS2).	Worker grievance logs and records of how managed (from both operators).	Conduct initial review	Low

	Develop and agree KPIs with assets for the management of worker rights	N/A	Following initial review	
	Review agreed KPIs	Agreed KPIs	Annual (or more frequent if desired)	
Worker Rights (H&S)	Review recordable incidents for last three years and how these were managed.	Summary of recordable H&S incidents since June 2018 (from both operators).	Conduct initial review	Low
	Develop and agree KPIs with assets for the management of worker health & safety	N/A	Following initial review	
	Review agreed KPIs.	Agreed KPIs	Annual (or more frequent if desired)	
Waste Management	Review the Waste Management Plans for each asset to confirm alignment with the requirements set out in PS3.	Waste Management Plan (both operators).	Initial review	Low
Biodiversity	Review any Conservation Biological Diversity Strategies and/or Plans in line with PS6.	Any Conservation Biological Diversity Strategies and/or Plans (from both operators).	Initial review	Low
Cultural Heritage	Review the required Chance Finds Procedure for each asset in line with PS8.	Chance Finds Procedure (from both operators).	Initial review	Low

6. CONCLUSIONS

6.1 ESAP Requirements

This review presents an assessment of AOC progress with ESAP and ESRS requirements, identifying those actions that have been completed, are in progress or pending commencement of activities. The ESAP and ESRS requirements relevant to the current and planned Tullow Kenya operations in South Lokichar are mainly closed, with some pending revisions to draft documents or completion of current ESIA's. For future JV-led activities, additional site-specific plans and procedures may be required to address relevant ESAP and ESRS requirements. These will be identified through the Operator's Site Specific Assessment Procedure.

AOC has now acquired non-operator interests in producing assets offshore Nigeria and has other non-operator interests in offshore exploration and appraisal programmes in South Africa, Namibia and Guyana. These assets and interests are not part of the scope of the current IMG review, however, a high-level review of the investment Environmental and Social Due Diligence (ESDD) report for the Nigeria assets has been undertaken to aid an update of the current 2015 ESAP. Subject to agreements between the IFC and AOC, the scope of future reviews may vary depending on activities being undertaken, e.g. for activities where AOC is the operator or where they have invested in new assets or areas as non-operator.

6.2 IFC Performance Standards Requirements

The focus of the current review has been the draft upstream ESIA and mid-stream ESIA. The final upstream ESIA is planned to be disclosed in mid-2020 along with a mid-stream ESIA's Addendum and Supplementary Assessment to meet IFC PS conformance requirements. The ESIA's were considered generally to be comprehensive with some areas identified to be completed in the final versions or in addenda/supplementary assessments. The findings of the reviews are presented in this report, along with an evaluation of conformance with the relevant Performance Standard and actions required to address the gaps.

A number of observations made in the previous reviews have been addressed through these ESIA's. For some previous observations, the required actions are in progress, for example, draft environmental and social management procedures that are undergoing internal review require to be finalised and fully operationalised prior to commencement of the FFD construction and operational activities.

The first cargo of 240,000 barrels of oil stored during the previous EWTs was exported from Mombasa in August 2019. The transfer of crude oil by road tanker from South Lokichar to Mombasa was suspended in November 2019 following a fatal accident. An investigation was undertaken and a Correction Action Plan agreed. It was reported by the Operator that, at the time of this review, the Interim Trucking Project remained suspended as the A1 road had been damaged by flood water and was not trafficable by the road tankers.

6.3 Recommendations for Next Review

The date and focus of the next review will be dependent on progress with the South Lokichar FFD Foundation Phase Project due to the Covid-19 pandemic and associated travel restrictions. At this stage, the review is expected in the second half of 2020. The review will include available updates of key project documentation such as final ESIA's, Land Access Strategy and associated plans, updated SEPs, and operational plans, procedures and agreements for commencement of the Foundation Phase Project. In addition, a review of actions undertaken to meet the requirements of any updated ESAP covering AOC's wider asset portfolio should be undertaken.

APPENDIX A ADDITIONAL DOCUMENTS PROVIDED BY AOC AND TULLOW KENYA

SOURCE/TOPIC	DOCUMENT TITLE
AOC Updates	Africa-Oil Corporate Presentation January 2020
	AOC ESAP update
	CAO complaint Kenya Delonex and Africa Oil
Fatal Incident Investigation	Emex 4696 Terms of Reference - Fatal Injury Incident Investigation
	MHEAL Fatal Incident Investigation - Final Report 19-12-2019
	MHEAL Fatal Incident Investigation - Interim Report
	Operational Update to JOA Partners- Fatality Incident JV Communication November 2019
	Summary Of Incident Investigation Report For Road Traffic Accident of 21st November 2019
	EOPS Steering Fatality Actions A, February 2020
	MHEAL Violations consequence matrix updated, March 2020
	MHEAL HGV Drivers Recruitment And Screening Process, March 2020
	MHEAL HGV Drivers Mentoring And Ongoing Training Process, March 2020
	MHEAL HGV Drivers Induction And Training Process, March 2020.
	Summary of action close out Emex 4696, March 2020
	MH Vehicle Tracking Policy and Procedures, March 2020.
	Route Hazard Map - Mombasa to Kapese - v3.20, March 2020.
	MDA principal - performance goals and deliverables, March 2020.
MH journey planning and management policy and procedures, March 2020.	
Biodiversity	AOC Biodiversity Advisory Panel South Lokichar Project Report of 2 nd Panel Meeting January 2019
	1433956.558_A.0 - Summary of technical work completed to date
	1433956.511 A.0 Tullow Site Visit Report _Biodiversity
	1433956.548_B.0 - Biodiversity (Reptiles, Amphibians and Invertebrates) Field Report
Land Access	Draft Land Access Framework 18th Dec 2019
	Proposed Upstream Land Access Principles March 2020
	Draft Upstream Land Access Strategy March 2020
Tullow Kenya FFD Foundation Phase	ESIA Report Foundation Stage of South Lokichar Development
	ESIA Stakeholder Engagement Plan September 2019

SOURCE/TOPIC	DOCUMENT TITLE
	Project Oil Kenya Disclosure Presentation With CSOMEDIA 2019
	South Lokichar Basin. Tullow Oil draft Field Development Plan rev 1.0 31 January 2020
Early Oil Pilot Scheme	Amosing EOPS Daily Report 12th January 2020
Flaring	Flaring Options Assessment. Worley Parsons June 2019.
	Gap Assessment Report Rev 002. IO September 2019.
	Gas Strategy Workshop 12th September 2019.
	KSLFP-0000-EG-STU-0007-0 Kenya South Lokichar Foundation Project Independent Review of the gas Management Strategy. Worley Parsons 31 May 2019.
	Upstream Gas Management Strategy, September 2019.
Midstream	LLCOP ESIA Addendum - Scope of Work to Golder 031219
	LLCOP Supplemental Assessment - Scope of Work to Golder 021219 – DRAFT
	T-KE-LET-005-NEMA-19 Notification of Change Of LMT Storage Option 181219
	1772867 523 A1 - LLCOP - GA - SR - ToR
	1772867.554.A1 ESIA Report 31.10.19
	LLCOP ESIA Consultation Presentation 27 June (inc LAPSSET & PPMT slides)

APPENDIX B

REVIEW OF THE DRAFT SOUTH LOKICHAH DEVELOPMENT FOUNDATION STAGE ESIA

Table B.1 Performance Standard 1 (Assessment and Management of Environmental and Social Risks and Impacts)

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
Environmental and Social Assessment and Management System			
5.	The client, in coordination with other responsible government agencies and third parties as appropriate, will conduct a process of environmental and social assessment, and establish and maintain an ESMS appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts. The ESMS will incorporate the following elements: (i) policy; (ii) identification of risks and impacts; (iii) management programs; (iv) organizational capacity and competency; (v) emergency preparedness and response; (vi) stakeholder engagement; and (vii) monitoring and review.	The draft ESIA provided for review did not include the ESMS and related ESMP. Some information on the overarching Environmental and Social Framework and associated procedures has been provided.	Details on how ESMP and ESMP and associated procedures will be used to manage the potential impacts identified in the ESIA is required. It is understood that this will be in the Final version of the ESIA, post consultation on the Draft. The ESMS should follow the guidelines set out in this Performance Standard, i.e. Paragraphs 5, 13-18, 22-24.
Identification of Risks and Impacts			
7.	The client will establish and maintain a process for identifying the environmental and social risks and impacts of the project (see paragraph 18 for competency requirements). The type, scale, and location of the project guide the scope and level of effort devoted to the risks and impacts identification process. The scope of the risks and impacts identification process will be consistent with good international industry practice, and will determine the appropriate and relevant methods and assessment tools. The process may comprise a full-scale environmental and social impact assessment, a limited or focused environmental and social assessment, or straightforward application of environmental siting, pollution standards, design criteria, or construction standards. When the project involves existing assets, environmental and/or social audits or risk/hazard assessments can be appropriate and sufficient to identify risks and impacts. If assets to be developed, acquired or financed have yet to be defined, the establishment of an environmental and social due diligence process will identify risks and impacts at a point in the future when the physical elements, assets, and facilities are reasonably understood. The risks and impacts identification process will be based on recent environmental and social baseline data at an appropriate level of detail. The process will consider all relevant environmental and social risks and impacts of the project, including the issues identified in Performance Standards 2 through 8, and those who are likely to be affected by such risks and impacts. The risks and impacts	The general impact assessment methodology set out in the ESIA is in-line with GIIP. The ESIA did not fully assess the emissions of greenhouse gases, the relevant risks associated with a changing climate and the adaptation opportunities, and potential transboundary effects, such as pollution of air.	ESIA to include the following: emissions of greenhouse gases, an assessment of the risks associated with a changing climate and any adaptation opportunities. (Note: It is assumed that potential transboundary effects will not be significant.)

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
	<p>identification process will consider the emissions of greenhouse gases, the relevant risks associated with a changing climate and the adaptation opportunities, and potential transboundary effects, such as pollution of air, or use or pollution of international waterways</p>		
8.	<p>Where the project involves specifically identified physical elements, aspects, and facilities that are likely to generate impacts, environmental and social risks and impacts will be identified in the context of the project's area of influence. This area of influence encompasses, as appropriate:</p> <ul style="list-style-type: none"> ■ The area likely to be affected by: (i) the project and the client's activities and facilities that are directly owned, operated or managed (including by contractors) and that are a component of the project; (ii) impacts from unplanned but predictable developments caused by the project that may occur later or at a different location; or (iii) indirect project impacts on biodiversity or on ecosystem services upon which Affected Communities' livelihoods are dependent. ■ Associated facilities, which are facilities that are not funded as part of the project and that would not have been constructed or expanded if the project did not exist and without which the project would not be viable. ■ Cumulative impacts that result from the incremental impact, on areas or resources used or directly impacted by the project, from other existing, planned or reasonably defined developments at the time the risks and impacts identification process is conducted. 	<p>Section 3.13 of the ESIA does not include the full definition of area of influence (it excludes associated facilities and cumulative impacts). As such, the project components listed in Section 5.2 do not include all of the project components that should be assessed. It is recognised that to meet permitting requirements the projects impacts have been addressed across two separate ESIA's.</p> <p>Whilst the ESIA has considered traffic impacts on infield roads and traffic accidents from wider road usage, an assessment of potential impacts from the Project's (and its contractors') planned use of public roadways has not been made. The traffic needed to bring equipment and people to site, especially during construction, could result in adverse impacts (e.g. damage to road infrastructure, reduced air quality, increased noise emissions, nuisance and safety to other road users and pedestrians). These impacts may also be exacerbated by cumulative effects with other projects.</p>	<p>The ESIA should list all project related components and state which are considered as associated facilities or primary supply chain facilities (see Paragraph 10). At a minimum, the pipeline and borrow pits are likely to be considered as associated facilities. Other activities such as the potential CPF connection to grid, may also be classified as such. For any associated facilities, an assessment of potential environmental and social impacts is required to the same level as any other core project component. It is understood that for the midstream associated facility that these impacts are to be addressed in a Supplemental Lenders Information Package (SLIP).</p> <p>The ESIA should include an assessment of potential cumulative impacts (in line with the IFC/IFC's <i>Good Practice Handbook on Cumulative Impact Assessment and Management: Guidance for the Private Sector in Emerging Markets</i>). The additional assessment for any associated facilities should also consider potential cumulative impacts for these project components.</p> <p>The ESIA should include an assessment of potential impacts from the Project's traffic (including contractors/suppliers) on public roadways.</p>
10.	Where the client can reasonably exercise control, the risks and impacts	The ESIA does not address primary supply	If primary supply chain facilities are

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
	identification process will also consider those risks and impacts associated with primary supply chains, as defined in Performance Standard 2 (paragraphs 27–29) and Performance Standard 6 (paragraph 30).	chain facilities. These are excluded from the scope in Section 3.13.	identified (see Paragraph 8 above) then the assessment requires to evaluate labour and biodiversity risks and impacts associated with these activities.
Management Programs			
13.	Consistent with the client’s policy and the objectives and principles described therein, the client will establish management programs that, in sum, will describe mitigation and performance improvement measures and actions that address the identified environmental and social risks and impacts of the project.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.
14.	Depending on the nature and scale of the project, these programs may consist of some documented combination of operational procedures, practices, plans, and related supporting documents (including legal agreements) that are managed in a systematic way. The programs may apply broadly across the client’s organization, including contractors and primary suppliers over which the organization has control or influence, or to specific sites, facilities, or activities. The mitigation hierarchy to address identified risks and impacts will favor the avoidance of impacts over minimization, and, where residual impacts remain, compensation/offset, wherever technically and financially feasible.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.
15.	Where the identified risks and impacts cannot be avoided, the client will identify mitigation and performance measures and establish corresponding actions to ensure the project will operate in compliance with applicable laws and regulations, and meet the requirements of Performance Standards 1 through 8. The level of detail and complexity of this collective management program and the priority of the identified measures and actions will be commensurate with the project’s risks and impacts, and will take account of the outcome of the engagement process with Affected Communities as appropriate.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.
16.	The management programs will establish environmental and social Action Plans, which will define desired outcomes and actions to address the issues raised in the risks and impacts identification process, as measurable events to the extent possible, with elements such as performance indicators, targets, or acceptance criteria that can be tracked over defined time periods, and with estimates of the resources and responsibilities for implementation. As	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
	appropriate, the management program will recognize and incorporate the role of relevant actions and events controlled by third parties to address identified risks and impacts. Recognizing the dynamic nature of the project, the management program will be responsive to changes in circumstances, unforeseen events, and the results of monitoring and review.		
Organizational Capacity and Competency			
17.	The client, in collaboration with appropriate and relevant third parties, will establish, maintain, and strengthen as necessary an organizational structure that defines roles, responsibilities, and authority to implement the ESMS. Specific personnel, including management representative(s), with clear lines of responsibility and authority should be designated. Key environmental and social responsibilities should be well defined and communicated to the relevant personnel and to the rest of the client's organization. Sufficient management sponsorship and human and financial resources will be provided on an ongoing basis to achieve effective and continuous environmental and social performance.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.
18.	Personnel within the client's organization with direct responsibility for the project's environmental and social performance will have the knowledge, skills, and experience necessary to perform their work, including current knowledge of the host country's regulatory requirements and the applicable requirements of Performance Standards 1 through 8. Personnel will also possess the knowledge, skills, and experience to implement the specific measures and actions required under the ESMS and the methods required to perform the actions in a competent and efficient manner.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.

Emergency Preparedness and Response			
20.	<p>Where the project involves specifically identified physical elements, aspects and facilities that are likely to generate impacts, the ESMS will establish and maintain an emergency preparedness and response system so that the client, in collaboration with appropriate and relevant third parties, will be prepared to respond to accidental and emergency situations associated with the project in a manner appropriate to prevent and mitigate any harm to people and/or the environment. This preparation will include the identification of areas where accidents and emergency situations may occur, communities and individuals that may be impacted, response procedures, provision of equipment and resources, designation of responsibilities, communication, including that with potentially Affected Communities and periodic training to ensure effective response. The emergency preparedness and response activities will be periodically reviewed and revised, as necessary, to reflect changing conditions.</p>	<p>Section 7.11 of the ESIA includes the assessment of emergency, accidental and non-routine events. This section references the preparation of an Emergency Preparedness and Response Plan, an Oil Spill Contingency Plan, and a Quantitative Risk Assessment; however outlines of these documents were not provided for review. It is expected that these will be in the ESMP when completed.</p>	<p>Confirm development of the Emergency Preparedness and Response Plan (and any risk management assessments or plans referenced therein), including each of the following components:</p> <ul style="list-style-type: none"> ■ identification of areas where accidents and emergency situations may occur; ■ communities and individuals that may be impacted; ■ response procedures; ■ provision of equipment and resources; ■ designation of responsibilities; ■ internal communications ■ external communications with Affected Communities (including providing assistance in helping them organize the community response if needed); ■ periodic training; and ■ a mechanism to periodically review and revise the plan, as necessary.
21.	<p>Where applicable, the client will also assist and collaborate with the potentially Affected Communities (see Performance Standard 4) and the local government agencies in their preparations to respond effectively to emergency situations, especially when their participation and collaboration are necessary to ensure effective response. If local government agencies have little or no capacity to respond effectively, the client will play an active role in preparing for and responding to emergencies associated with the project. The client will document its emergency preparedness and response</p>	<p>See response to Paragraph 20. Note, Section 7.11 of the ESIA does not identify if/how the Project will interact with the affected communities in the event of an emergency.</p>	<p>See response to Paragraph 20 with respect to emergency response. A procedure for communicating and interacting with affected communities in the event of an emergency is required.</p>

	activities, resources, and responsibilities, and will provide appropriate information to potentially Affected Community and relevant government agencies.		
Monitoring and Review			
22.	The client will establish procedures to monitor and measure the effectiveness of the management program, as well as compliance with any related legal and/or contractual obligations and regulatory requirements. Where the government or other third party has responsibility for managing specific risks and impacts and associated mitigation measures, the client will collaborate in establishing and monitoring such mitigation measures. Where appropriate, clients will consider involving representatives from Affected Communities to participate in monitoring activities. The client's monitoring program should be overseen by the appropriate level in the organization. For projects with significant impacts, the client will retain external experts to verify its monitoring information. The extent of monitoring should be commensurate with the project's environmental and social risks and impacts and with compliance requirements.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.
23.	In addition to recording information to track performance and establishing relevant operational controls, the client should use dynamic mechanisms, such as internal inspections and audits, where relevant, to verify compliance and progress toward the desired outcomes. Monitoring will normally include recording information to track performance and comparing this against the previously established benchmarks or requirements in the management program. Monitoring should be adjusted according to performance experience and actions requested by relevant regulatory authorities. The client will document monitoring results and identify and reflect the necessary corrective and preventive actions in the amended management program and plans. The client, in collaboration with appropriate and relevant third parties, will implement these corrective and preventive actions, and follow up on these actions in upcoming monitoring cycles to ensure their effectiveness.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.
24.	Senior management in the client organization will receive periodic performance reviews of the effectiveness of the ESMS, based on systematic data collection and analysis. The scope and frequency of such reporting will depend upon the nature and scope of the activities identified and undertaken in accordance with the client's ESMS and other applicable project requirements. Based on results within these performance reviews, senior management will take the necessary and appropriate steps to ensure the intent of the client's policy is met, that procedures, practices, and plans are being implemented, and are seen to be effective.	See responses to Paragraph 5 with respect to ESMS requirements.	See responses to Paragraph 5 with respect to ESMS requirements.

Stakeholder Engagement			
25.	Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts. Stakeholder engagement is an ongoing process that may involve, in varying degrees, the following elements: stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism, and ongoing reporting to Affected Communities. The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development.	<p>The ESIA considers stakeholder engagement as a cross cutting action, addressing many impacts and management issues associated with the project. An extensive stakeholder engagement process has been undertaken including scoping engagement and ongoing (at the time of the review) engagement on the draft ESIA to allow feedback on mitigation measures.</p> <p>Stakeholders included local stakeholders, government authorities, NGOs and CBOs. Baseline data collection through focus groups and key informant interviews enabled additional discussion on the project.</p>	The SEP will need to be updated after each round of stakeholder engagement. Ongoing stakeholder engagement will be necessary to ensure communities are aware of specific activities, health and safety issues, and changes to land access and pastoral routes, to ensure they are prepared for these changes as construction progresses.
Stakeholder Analysis and Engagement Planning			
27.	The client will develop and implement a Stakeholder Engagement Plan that is scaled to the project risks and impacts and development stage, and be tailored to the characteristics and interests of the Affected Communities. Where applicable, the Stakeholder Engagement Plan will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. When the stakeholder engagement process depends substantially on community representatives, the client will make every reasonable effort to verify that such persons do in fact represent the views of Affected Communities and that they can be relied upon to faithfully communicate the results of consultations to their constituents.	A SEP in the draft ESIA has been developed and was provided for ERM's review.	Finalise the SEP and confirm measures in the SEP are implemented as the project progresses through to construction and that the SEP will be under review and updated for each significant phase of the project.
Disclosure of Information			
29.	Disclosure of relevant project information helps Affected Communities and other stakeholders understand the risks, impacts and opportunities of the project. The client will provide Affected Communities with access to relevant information on: (i) the purpose, nature, and scale of the project; (ii) the duration of proposed project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures; (iv) the envisaged stakeholder engagement process; and (v) the grievance mechanism.	The draft upstream ESIA was undergoing disclosure as part of the stakeholder consultation process.	<p>More localised disclosure to the Affected Communities of the required elements may be required and this can be done prior to construction commencing as part of ongoing engagement, to ensure all relevant stakeholders are aware of specific activities and health and safety implications.</p> <p>The Grievance Mechanism should be explained in each ongoing engagement</p>

			session.
Consultation			
30.	When Affected Communities are subject to identified risks and adverse impacts from a project, the client will undertake a process of consultation in a manner that provides the Affected Communities with opportunities to express their views on project risks, impacts and mitigation measures, and allows the client to consider and respond to them. The extent and degree of engagement required by the consultation process should be commensurate with the project's risks and adverse impacts and with the concerns raised by the Affected Communities. Effective consultation is a two-way process that should: (i) begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise; (ii) be based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information which is in a culturally appropriate local language(s) and format and is understandable to Affected Communities; (iii) focus inclusive engagement on those directly affected as opposed to those not directly affected; (iv) be free of external manipulation, interference, coercion, or intimidation; (v) enable meaningful participation, where applicable; and (vi) be documented. The client will tailor its consultation process to the language preferences of the Affected Communities, their decision-making process, and the needs of disadvantaged or vulnerable groups. If clients have already engaged in such a process, they will provide adequate documented evidence of such engagement.	A thorough stakeholder engagement process is ongoing for the ESIA. Additional consultation associated with land acquisition is still required. Consultation will follow the principles of ICP and where relevant, FPIC.	Stakeholder mapping to be undertaken to identify those that must be involved in ICP and FPIC process. This will be done in conjunction with the land acquisition process and will be detailed in associated Resettlement Action and Livelihood Restoration Plans.
Informed Consultation and Participation			
31.	For projects with potentially significant adverse impacts on Affected Communities, the client will conduct an Informed Consultation and Participation (ICP) process that will build upon the steps outlined above in Consultation and will result in the Affected Communities' informed participation. ICP involves a more in-depth exchange of views and information, and an organized and iterative consultation, leading to the client's incorporating into their decision-making process the views of the Affected Communities on matters that affect them directly, such as the proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues. The consultation process should (i) capture both men's and women's views, if necessary through separate forums or engagements, and (ii) reflect men's and women's different concerns and priorities about impacts, mitigation mechanisms, and benefits, where appropriate. The client will document the process, in particular the	See response to Paragraph 30 with respect to stakeholder engagement.	See response to Paragraph 30 with respect to stakeholder engagement.

	measures taken to avoid or minimize risks to and adverse impacts on the Affected Communities, and will inform those affected about how their concerns have been considered.		
Indigenous Peoples			
32.	For projects with adverse impacts to Indigenous Peoples, the client is required to engage them in a process of ICP and in certain circumstances the client is required to obtain their Free, Prior, and Informed Consent (FPIC). The requirements related to Indigenous Peoples and the definition of the special circumstances requiring FPIC are described in Performance Standard 7.	While the ESIA references IFC PS 7, it does not define or identify any indigenous groups. However in Turkana County in particular, TKBV have adopted FPIC approaches to land acquisition due to unique social sensitivities. Due to the limited reference to indigenous groups, PS 7 is not considered further in the ESIA, although FPIC is considered in the context of land acquisition	It is expected that an FPIC approach to land acquisition in particular, will be adopted by TKBV for the upstream project, following on from previous land acquisition approaches. The SEP must clearly identify which stakeholders may require an FPIC approach rather than an ICP approach. TKBV should make clear statements in all relevant documents: ESIA, SEP and LARF that there are no indigenous groups affected and explain why this is the case.
External Communications			
34.	Clients will implement and maintain a procedure for external communications that includes methods to (i) receive and register external communications from the public; (ii) screen and assess the issues raised and determine how to address them; (iii) provide, track, and document responses, if any; and (iv) adjust the management program, as appropriate. In addition, clients are encouraged to make publicly available periodic reports on their environmental and social sustainability.	The Grievance Mechanism is described in the FFD SEP. It is also identified as a key mitigation and management measure associated with a wide range of impacts identified in the report.	Grievance mechanism to be implemented prior to construction.
Grievance Mechanism for Affected Communities			
35.	Where there are Affected Communities, the client will establish a grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the client's environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project and have Affected Communities as its primary user. It should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. The client will inform the Affected Communities	See response to Paragraph 34 with respect to Grievance Mechanism.	Grievance mechanism to be implemented prior to construction.

	about the mechanism in the course of the stakeholder engagement process.		
Ongoing Reporting to Affected Communities			
36.	The client will provide periodic reports to the Affected Communities that describe progress with implementation of the project Action Plans on issues that involve ongoing risk to or impacts on Affected Communities and on issues that the consultation process or grievance mechanism have identified as a concern to those Communities. If the management program results in material changes in or additions to the mitigation measures or actions described in the Action Plans on issues of concern to the Affected Communities, the updated relevant mitigation measures or actions will be communicated to them. The frequency of these reports will be proportionate to the concerns of Affected Communities but not less than annually.	Ongoing engagement is referenced in the ESIA, particularly in the context of mitigation management. This is also referenced in the SEP.	<p>Ongoing engagement needs to be more clearly articulated in the SEP and related documents.</p> <p>Schedules for ongoing reporting to be developed annually, with annual reports to be developed in accordance with the SEP.</p> <p>A schedule to be disclosed to stakeholders to ensure they are content with the level of engagement and to avoid further grievances.</p>

Table B.2 Performance Standard 2 (Labour and Working Conditions)

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
Working Conditions and Management of Worker Relationship			
<i>Human Resources Policies and Procedures</i>			
8.	The client will adopt and implement human resources policies and procedures appropriate to its size and workforce that set out its approach to managing workers consistent with the requirements of this Performance Standard and national law.	TKBV have a suite of policies in place for managing human resources. However these are not fully referenced in the ESIA with respect to human resource management. The ESIA does not consider, in detail, impacts to workers through the assessment of labour and working conditions and worker rights.	Confirm that all existing TKBV HR Policies are to be followed, in-line with the requirements set out in Performance Standard 2 relating to labour and working conditions, human resources management, contractor management and human rights within the supply chain.
9.	The client will provide workers with documented information that is clear and understandable, regarding their rights under national labour and employment law and any applicable collective agreements, including their rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur.	Not considered with respect to contractors in the ESIA. Given the large size of the construction workforce (approx. 2,500) there are contractor management risks that require to be assessed.	As included in the response to Paragraph 8, an assessment of labour and working conditions and risks to the workforce is required. Measures should be outlined for managing contractors and key mitigation to protect workers and worker rights, particularly contract and supply chain workers. Confirm that all existing TKBV HR Policies are to be followed in-line with these specific requirements.
Working Conditions and Terms of Employment			
10.	Where the client is a party to a collective bargaining agreement with a workers' organization, such agreement will be respected. Where such agreements do not exist, or do not address working conditions and terms of employment, the client will provide reasonable working conditions and terms of employment.	See response to Paragraph 8 with respect to HR Policies.	See response to Paragraph 8 with respect to HR Policies.
11.	The client will identify migrant workers and ensure that they are engaged on substantially equivalent terms and conditions to non-migrant workers carrying out similar work.	This risk of migrant workers has not been considered in the ESIA.	Confirm that all existing TKBV HR Policies are to be followed in-line with these specific requirements.

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
12.	Where accommodation services are provided to workers covered by the scope of this Performance Standard, the client will put in place and implement policies on the quality and management of the accommodation and provision of basic services. The accommodation services will be provided in a manner consistent with the principles of non-discrimination and equal opportunity. Workers' accommodation arrangements should not restrict workers' freedom of movement or of association.	Accommodation camps will be established for the construction workforce, at various locations. These will be "closed camps" to limit interactions with external communities. The management of these camps has not been assessed in the ESIA's.	Risks associated with all camps (including fly camps) require to be assessed. Confirm that all existing TKBV HR policies with respect to camp management are to be followed in-line with these specific requirements with commitments made to manage contractors. All new camps should be assessed against the ' <i>Workers' Accommodation: Processes and Standards</i> ' by IFC/ EBRD, and redesigned as necessary to meet these standards.
Workers' Organizations			
13.	In countries where national law recognizes workers' rights to form and to join workers' organizations of their choosing without interference and to bargain collectively, the client will comply with national law. Where national law substantially restricts workers' organizations, the client will not restrict workers from developing alternative mechanisms to express their grievances and protect their rights regarding working conditions and terms of employment. The client should not seek to influence or control these mechanisms	See response to Paragraph 8 with respect to HR Policies.	See response to Paragraph 8 with respect to HR Policies.
14.	In either case described in paragraph 13 of this Performance Standard, and where national law is silent, the client will not discourage workers from electing worker representatives, forming or joining workers' organizations of their choosing, or from bargaining collectively, and will not discriminate or retaliate against workers who participate, or seek to participate, in such organizations and collective bargaining. The client will engage with such workers' representatives and workers' organizations, and provide them with information needed for meaningful negotiation in a timely manner. Workers' organizations are expected to fairly represent the workers in the workforce.	See response to Paragraph 8 with respect to HR Policies.	See response to Paragraph 8 with respect to HR Policies.

Non-Discrimination and Equal Opportunity			
15.	The client will not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The client will base the employment relationship on the principle of equal opportunity and fair treatment, and will not discriminate with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, and disciplinary practices. The client will take measures to prevent and address harassment, intimidation, and/or exploitation, especially in regard to women. The principles of non-discrimination apply to migrant workers.	Worker recruitment and non-discrimination has been considered with respect to enhancing employment benefits. Discrimination within the workplace not explicitly addressed in the ESIA.	See response to Paragraph 8 with respect to HR Policies. Ensure these include a transparent, non-discriminatory recruitment procedure as a benefit enhancement measure.
17.	Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job will not be deemed as discrimination, provided they are consistent with national law.	See response to Paragraph 8 with respect to HR Resources.	See response to Paragraph 15 with respect to HR Policies.
Retrenchment			
18.	Prior to implementing any collective dismissals, the client will carry out an analysis of alternatives to retrenchment. If the analysis does not identify viable alternatives to retrenchment, a retrenchment plan will be developed and implemented to reduce the adverse impacts of retrenchment on workers. The retrenchment plan will be based on the principle of non-discrimination and will reflect the client's consultation with workers, their organizations, and, where appropriate, the government, and comply with collective bargaining agreements if they exist. The client will comply with all legal and contractual requirements related to notification of public authorities, and provision of information to, and consultation with workers and their organizations.	See response to Paragraph 8 with respect to HR Resources.	See response to Paragraph 8 with respect to HR Policies.
19.	The client should ensure that all workers receive notice of dismissal and severance payments mandated by law and collective agreements in a timely manner. All outstanding back pay and social security benefits and pension contributions and benefits will be paid (i) on or before termination of the working relationship to the workers, (ii) where appropriate, for the benefit of the workers, or (iii) payment will be made in accordance with a timeline agreed through a collective agreement. Where payments are made for the benefit of workers, workers will be provided with evidence of such payments.	See response to Paragraph 8 with respect to HR Resources.	See response to Paragraph 8 with respect to HR Policies.

Grievance Mechanism			
20.	The client will provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. The client will inform the workers of the grievance mechanism at the time of recruitment and make it easily accessible to them. The mechanism should involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism should also allow for anonymous complaints to be raised and addressed. The mechanism should not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.	A requirement for the contractors to develop a grievance mechanism for workers is specified in ESIA, however no details of the worker grievance mechanism are specified.	Confirm that a worker grievance mechanism is in-place for both the construction and long-term workforce. This includes finalising the TKBV Contractor Employee Grievance Management Guidelines and Employee Handbook, which will address worker grievance.
Protecting the Work Force			
Child Labor			
21.	The client will not employ children in any manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development. The client will identify the presence of all persons under the age of 18. Where national laws have provisions for the employment of minors, the client will follow those laws applicable to the client. Children under the age of 18 will not be employed in hazardous work. All work of persons under the age of 18 will be subject to an appropriate risk assessment and regular monitoring of health, working conditions, and hours of work.	See response to Paragraph 8 with respect to HR Resources.	See response to Paragraph 8 with respect to HR Policies.
Forced Labor			
22.	The client will not employ forced labor, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty. This covers any kind of involuntary or compulsory labor, such as indentured labor, bonded labor, or similar labor-contracting arrangements. The client will not employ trafficked persons.	See response to Paragraph 8 with respect to HR Resources.	See response to Paragraph 8 with respect to HR Policies.

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Occupational Health and Safety			
23.	The client will provide a safe and healthy work environment, taking into account inherent risks in its particular sector and specific classes of hazards in the client's work areas, including physical, chemical, biological, and radiological hazards, and specific threats to women. The client will take steps to prevent accidents, injury, and disease arising from, associated with, or occurring in the course of work by minimizing, as far as reasonably practicable, the causes of hazards. In a manner consistent with good international industry practice, as reflected in various internationally recognized sources including the World Bank Group Environmental, Health and Safety Guidelines, the client will address areas that include the (i) identification of potential hazards to workers, particularly those that may be life-threatening; (ii) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (iii) training of workers; (iv) documentation and reporting of occupational accidents, diseases, and incidents; and (v) emergency prevention, preparedness, and response arrangements. For additional information related to emergency preparedness and response refer to Performance Standard 1.	Occupational health and safety is referenced in the ESIA with respect to national legislation, EHS guidelines and in the context of managing community health and safety.	Confirm that all TKBV occupational health and safety policies and procedures are implemented by Contractors and other third parties.
Workers Engaged by Third Parties			
24.	With respect to contracted workers the client will take commercially reasonable efforts to ascertain that the third parties who engage these workers are reputable and legitimate enterprises and have an appropriate ESMS that will allow them to operate in a manner consistent with the requirements of this Performance Standard, except for paragraphs 18–19, and 27–29.	See response to Paragraph 8 with respect to HR Policies.	See response to Paragraph 8 with respect to HR Policies.
25.	The client will establish policies and procedures for managing and monitoring the performance of such third party employers in relation to the requirements of this Performance Standard. In addition, the client will use commercially reasonable efforts to incorporate these requirements in contractual agreements with such third party employers.	See response to Paragraph 8 with respect to HR Policies.	See response to Paragraph 8 with respect to HR Policies.
26.	The client will ensure that contracted workers, covered in paragraphs 24–25 of this Performance Standard, have access to a grievance mechanism. In cases where the third party is not able to provide a grievance mechanism the client will extend its own grievance	See response to Paragraph 20 with respect to grievance mechanism for contractor workers.	See response to Paragraph 20 with respect to grievance mechanism for contractor workers.

	mechanism to serve workers engaged by the third party.		
Supply Chain			
27.	Where there is a high risk of child labor or forced labor in the primary supply chain, the client will identify those risks consistent with paragraphs 21 and 22 above. If child labor or forced labor cases are identified, the client will take appropriate steps to remedy them. The client will monitor its primary supply chain on an ongoing basis in order to identify any significant changes in its supply chain and if new risks or incidents of child and/or forced labor are identified, the client will take appropriate steps to remedy them.	The ESIA does not address primary supply chain facilities. These are excluded from the scope in ESIA Section 3.13.	If primary supply chain facilities are identified (see Paragraph 8 under PS1 above) then the assessment requires to evaluate labour risks and impacts associated with these activities. Confirm that the TKBV Contractor Employee Grievance Management Guidelines and Employee Handbook is finalised and implemented.
28.	Additionally, where there is a high risk of significant safety issues related to supply chain workers, the client will introduce procedures and mitigation measures to ensure that primary suppliers within the supply chain are taking steps to prevent or to correct life-threatening situations.	See response to Paragraph 27 with respect to the primary supply chain.	See response to Paragraph 27 with respect to the primary supply chain.
29.	The ability of the client to fully address these risks will depend upon the client's level of management control or influence over its primary suppliers. Where remedy is not possible, the client will shift the project's primary supply chain over time to suppliers that can demonstrate that they are complying with this Performance Standard.	See response to Paragraph 27 with respect to the primary supply chain.	See response to Paragraph 27 with respect to the primary supply chain.

Table 2.3 Performance Standard 3 (Resource Efficiency and Pollution Prevention)

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
4.	<p>During the project life-cycle, the client will consider ambient conditions and apply technically and financially feasible resource efficiency and pollution prevention principles and techniques that are best suited to avoid, or where avoidance is not possible, minimize adverse impacts on human health and the environment. The principles and techniques applied during the project life-cycle will be tailored to the hazards and risks associated with the nature of the project and consistent with good international industry practice (GIIP), as reflected in various internationally recognized sources, including the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines).</p>	<p>The air quality assessment for construction does not consider all affected human health receptors (only those located to the north and west of construction within 250 m). There was no consideration of the receptors located along the water pipeline construction route. There also is no discussion about how the elevated baseline levels recorded for PM2.5 and PM10 have been considered.</p> <p>For the primary dust mitigation measure: dampening of roads and/or the construction areas, it is unclear when this will be triggered as it is highly subjective (i.e. 'when large quantities of resuspended dust are reported or observed'). Given the high baseline concentrations of PM2.5 and PM10, the Project should considered more proactive measures during dry periods.</p> <p>The project description mentions waste incineration during construction, but this emission source has not been considered.</p> <p>The ESIA states that modelling does not predict exceedances of any air quality standards, other than PM2.5 and PM10. The ESIA does not demonstrate that the project does not result in ground level concentrations within 25% of any air quality standard (a requirement of the General EHS Guidelines). The modelling results were not provided for all pollutants.</p>	<p>The construction air quality assessment should address the gaps identified and verify that the design, proposed mitigation measures, and monitoring are fully aligned with the General Guideline the sectoral guidelines: Onshore Oil and Gas Operations, Thermal Power and Waste Management Facilities.</p> <p>The operations air quality assessment should include a table with the predicted maximum ground level concentrations (including baseline and Project contributions) for each pollutant modelled. These should then be compared to 75% of all applicable air quality standards/guidelines to demonstrate that the airshed will retain 'headspace' for future development (although it is recognized that this will not be the case for PM2.5 and PM10 as baseline concentrations are above the standards).</p>
		<p>The ESIA states that, during the construction phase, water will be sourced from existing boreholes and that when after month 17 the construction water demand exceeds the permitted borehole abstraction</p>	<p>As this is tight scheduling dependency, the Project should implement measures during the construction process to identify any early indicators that an alternative water source may be required to the pipeline. If necessary, the</p>

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
		<p>capacity that alternative water sources will be needed from the Turwel dam, via the make-up water pipeline whose construction is scheduled for completion in month 17. With this tight scheduling dependency, if construction of the water pipeline is delayed, water shortages may occur that could have knock on effects, such as limiting the Project's ability to mitigate dust impacts.</p>	<p>impact assessment and permitting of any such additional water source would then be carried out well in advance of its use.</p>
5.	<p>The client will refer to the EHS Guidelines or other internationally recognized sources, as appropriate, when evaluating and selecting resource efficiency and pollution prevention and control techniques for the project. The EHS Guidelines contain the performance levels and measures that are normally acceptable and applicable to projects. When host country regulations differ from the levels and measures presented in the EHS Guidelines, clients will be required to achieve whichever is more stringent. If less stringent levels or measures than those provided in the EHS Guidelines are appropriate in view of specific project circumstances, the client will provide full and detailed justification for any proposed alternatives through the environmental and social risks and impacts identification and assessment process. This justification must demonstrate that the choice for any alternate performance levels is consistent with the objectives of this Performance Standard.</p>	<p>The ESIA mentions 'Good International Industry Practice' will be applied but no source has been provided for these measures, and they do not include all relevant measures from the applicable EHS Guidelines. For example, for air quality, the various EHS Guidelines cite specific emission standards and monitoring standards that would apply to the GTGs, flares and waste incinerator, but these have not been evaluated. Insufficient detail is provided in the ESIA to determine if these are met (for example, emission rates are not provided for any point sources).</p> <p>No emission monitoring is proposed in the ESIA, which is a requirement for combustion sources over 50 MWth.</p>	<p>The impact assessment should include consideration of the measures in the General Guideline the sectoral guidelines: Onshore Oil and Gas Operations, Thermal Power, and Waste Management Facilities. Specific limits from the guidelines (e.g. emission standards, discharge limits and monitoring type and frequency) should be stated. If any measures from the various EHS Guidelines will not be met, a rationale should be provided as to why this is not feasible.</p>
6.	<p>The client will implement technically and financially feasible and cost effective measures for improving efficiency in its consumption of energy, water, as well as other resources and material inputs, with a focus on areas that are considered core business activities. Such measures will integrate the principles of cleaner production into product design and production processes with the objective of conserving raw materials, energy, and water. Where benchmarking data are available, the client will make a comparison to establish the relative level of efficiency.</p>	<p>The ESIA does not include any measures to improve resource efficiency (i.e. energy or water); however, given the Project's predicted reduced water usage over time, energy efficiency is the more meaningful variable.</p>	<p>As part of the Project ESMS, a mechanism should be included to periodically review (e.g. every 5 years) the energy usage of the operations and identify potential improvement measures.</p>
7.	<p>In addition to the resource efficiency measures described above, the client will consider alternatives and implement technically and financially feasible and cost-effective options to reduce project-related GHG</p>	<p>The ESIA includes an analysis of various alternatives that affect GHG performance (e.g. flaring); however, Project GHG</p>	<p>As part of the Project's ESMS, a mechanism should be included to periodically review (e.g. every 5 years) the GHG performance of the</p>

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
	emissions during the design and operation of the project. These options may include, but are not limited to, alternative project locations, adoption of renewable or low carbon energy sources, sustainable agricultural, forestry and livestock management practices, the reduction of fugitive emissions and the reduction of gas flaring.	emissions are not quantified. One of the most significant GHG emission sources is the proposed excess gas flaring that is predicted to occur for the first six years of operations. Per the Onshore Oil and Gas EHS Guideline, "Continuous venting of associated gas is not considered current good practice and should be avoided." The Project has looked at options to avoid flaring, and is using part of this gas for power generation; however, the alternatives analysis has found no feasible technical alternative. The approach proposed is as follows: assume excess gas flaring for the first six years, but also carry forward discussions with the government to determine if power export from additional GTGs fired by this gas would be desirable and implement this design change if feasible. The approach appears logical and will not result in sustained high levels of GHG emissions, given that excess gas generation is expected to drop off significantly in Year 4 and then be non-existent by Year 6.	operations and identify potential improvement measures.
8.	For projects that are expected to or currently produce more than 25,000 tonnes of CO2- equivalent annually, the client will quantify direct emissions from the facilities owned or controlled within the physical project boundary, as well as indirect emissions associated with the off-site production of energy used by the project. Quantification of GHG emissions will be conducted by the client annually in accordance with internationally recognized methodologies and good practice.	The ESIA does not include a GHG inventory; however, based on the nature of the proposed activities, it is highly likely that the Project will exceed the 25,000 tonne threshold.	Prepare a preliminary inventory of GHG sources during the operational phase (prior to operations). This will then need to be updated annually with actual data during operations and used to inform the GHG performance review.
9.	When the project is a potentially significant consumer of water, in addition to applying the resource efficiency requirements of this Performance Standard, the client shall adopt measures that avoid or reduce water usage so that the project's water consumption does not have significant adverse impacts on others. These measures include, but are not limited to, the use of additional technically feasible water	During operations, the Project's water usage does not represent a significant percentage of the supply from the Turkwel reservoir, so it is only during construction that this applies. The Project's proposed approach to use existing, permitted boreholes and	See the action for Paragraph 4 related to construction water. If additional water sources are required, the assessment should include consideration of measures to reduce the Project's construction water demand.

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
	conservation measures within the client's operations, the use of alternative water supplies, water consumption offsets to reduce total demand for water resources to within the available supply, and evaluation of alternative project locations.	then use the water from make-up water pipeline is aligned with the objectives in this paragraph of the Standard; however, if an alternative water supply is needed after month 17 (see paragraph 4 above), then additional measures may be applicable.	
10.	The client will avoid the release of pollutants or, when avoidance is not feasible, minimize and/or control the intensity and mass flow of their release. This applies to the release of pollutants to air, water, and land due to routine, non-routine, and accidental circumstances with the potential for local, regional, and transboundary impacts. Where historical pollution such as land or ground water contamination exists, the client will seek to determine whether it is responsible for mitigation measures. If it is determined that the client is legally responsible, then these liabilities will be resolved in accordance with national law, or where this is silent, with GIIP.	As included in response to Paragraph 5, the assessment does not include comparison to the emission standards set out in the EHS Guidelines, which have been set with the aim to minimize the mass flow of pollutants.	See action for Paragraph 5 with respect to emission standards and discharge limits.
11.	To address potential adverse project impacts on existing ambient conditions, the client will consider relevant factors, including, for example (i) existing ambient conditions; (ii) the finite assimilative capacity of the environment; (iii) existing and future land use; (iv) the project's proximity to areas of importance to biodiversity; and (v) the potential for cumulative impacts with uncertain and/or irreversible consequences. In addition to applying resource efficiency and pollution control measures as required in this Performance Standard, when the project has the potential to constitute a significant source of emissions in an already degraded area, the client will consider additional strategies and adopt measures that avoid or reduce negative effects. These strategies include, but are not limited to, evaluation of project location alternatives and emissions offsets.	As included in response to Paragraph 4 for air quality, the air quality assessment for construction does not consider the existing baseline conditions, which are above air quality standards, when determining appropriate mitigation.	See action for Paragraph 4, related to air quality.

Table B.4 Performance Standard 4 (Community Health, Safety, and Security)

Paragraph Ref No:	Requirements of IFC PS 4	Comments on Potential Gaps with the Requirements of IFC PS4	Proposed Gap Closure Actions
Community Health and Safety			
5.	The client will evaluate the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and will establish preventive and control measures consistent with good international industry practice (GIIP), such as in the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines) or other internationally recognized sources. The client will identify risks and impacts and propose mitigation measures that are commensurate with their nature and magnitude. These measures will favor the avoidance of risks and impacts over minimization.	The ESIA provides an assessment of community health and safety, including impacts on community health and communicable disease transmission, impacts relating to accidents and injury, traffic, infrastructure management and environmental determinants on health. GIIP and EHS guidelines are referenced in the ESIA and as part of mitigation and management.	No gaps have been identified with respect to assessment, however, an engagement programme on project activities, impacts and management measures will be required, particularly in relation to contractor activities. Contractor actions will also require to be monitored and managed.
Hazardous Materials Management and Safety			
7.	The client will avoid or minimize the potential for community exposure to hazardous materials and substances that may be released by the project. Where there is a potential for the public (including workers and their families) to be exposed to hazards, particularly those that may be life-threatening, the client will exercise special care to avoid or minimize their exposure by modifying, substituting, or eliminating the condition or material causing the potential hazards. Where hazardous materials are part of existing project infrastructure or components, the client will exercise special care when conducting decommissioning activities in order to avoid exposure to the community. The client will exercise commercially reasonable efforts to control the safety of deliveries of hazardous materials, and of transportation and disposal of hazardous wastes, and will implement measures to avoid or control community exposure to pesticides, in accordance with the requirements of Performance Standard 3.	No detail is included in the ESIA with regards to community exposure to hazardous materials; however, given the nature of the Project activities, any significant community health impacts are most likely to occur as a result of an emergency/ unplanned released only.	See the response to PS1, Paragraph 20 with respect to Emergency Preparedness and Response Plan (and any risk management assessments or plans referenced therein).
Emergency Preparedness and Response			
11.	In addition to the emergency preparedness and response requirements described in Performance Standard 1, the client will also assist and collaborate with the Affected Communities, local government agencies, and other relevant parties, in their preparations to respond effectively to emergency situations, especially when their participation and	See the response to PS1, Paragraph 20.	See the response to PS1, Paragraph 20 with respect to Emergency Preparedness and Response Plan (and any risk management assessments or plans referenced therein).

Paragraph Ref No:	Requirements of IFC PS 4	Comments on Potential Gaps with the Requirements of IFC PS4	Proposed Gap Closure Actions
	collaboration are necessary to respond to such emergency situations. If local government agencies have little or no capacity to respond effectively, the client will play an active role in preparing for and responding to emergencies associated with the project. The client will document its emergency preparedness and response activities, resources, and responsibilities, and will disclose appropriate information to Affected Communities, relevant government agencies, or other relevant parties.		
Security Personnel			
12.	When the client retains direct or contracted workers to provide security to safeguard its personnel and property, it will assess risks posed by its security arrangements to those within and outside the project site. In making such arrangements, the client will be guided by the principles of proportionality and good international practice in relation to hiring, rules of conduct, training, equipping, and monitoring of such workers, and by applicable law. The client will make reasonable inquiries to ensure that those providing security are not implicated in past abuses; will train them adequately in the use of force (and where applicable, firearms), and appropriate conduct toward workers and Affected Communities; and require them to act within the applicable law. The client will not sanction any use of force except when used for preventive and defensive purposes in proportion to the nature and extent of the threat. The client will provide a grievance mechanism for Affected Communities to express concerns about the security arrangements and acts of security personnel.	Impacts associated with security management have been assessed in the ESIA. Key mitigation includes strict adherence to the Voluntary Principles for Security and Human Rights and regular monitoring through an Incident Reporting System. The ESIA also specifies that due diligence must be applied in the appointment of security personnel. The grievance mechanism has been outlined in the SEP.	All mitigation measures must be incorporated into the ESMP. Security Management Plans, building on existing TKBV plans, must also be developed for the project. The Incident Reporting System to be implemented prior to construction.
13.	The client will assess and document risks arising from the project's use of government security personnel deployed to provide security services. The client will seek to ensure that security personnel will act in a manner consistent with paragraph 12 above, and encourage the relevant public authorities to disclose the security arrangements for the client's facilities to the public, subject to overriding security concerns.	See response to Paragraph 12 with respect to security.	See response to Paragraph 12 with respect to security.
14.	The client will consider and, where appropriate, investigate all allegations of unlawful or abusive acts of security personnel, take action (or urge appropriate parties to take action) to prevent recurrence, and report unlawful and abusive acts to public authorities.	See response to Paragraph 12 with respect to security.	See response to Paragraph 12 with respect to security.

Table B.5 Performance Standard 5(Land Acquisition and Involuntary Resettlement)

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
General			
Project Design			
8.	The client will consider feasible alternative project designs to avoid or minimize physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable.	<p>According to the upstream ESIA, 6,500 ha has been gazetted for project and community land use. Within this area, the project will require 1,089 ha. Micro alignment is proposed to avoid physical displacement where relevant.</p> <p>The Draft Land Access and Resettlement Framework (LARF) – revised Nov. 2019 outlines specific measures for managing project related physical and economic displacement. This document summarises the supplementary actions required by TKBV beyond statutory processes, to meet IFC PS5 requirements. This includes specific requirements for vulnerable people. The LARF requires the development of a Resettlement Action Plan (RAP) and Livelihood Restoration Plan (LRP) as key supplementary actions.</p>	A multi-step process is summarised in the Draft LARF, however, this needs to be developed with much more detail on specific supplementary actions for the upstream project in the Final LARF (or a supplementary document).
Compensation and Benefits for Displaced Persons			
9.	When displacement cannot be avoided, the client will offer displaced communities and person’s compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods, as provided in this Performance Standard. Compensation standards will be transparent and applied consistently to all communities and persons affected by the displacement. Where livelihoods of displaced persons are land-based, or where land is collectively owned, the client will, where feasible, offer the displaced land-based compensation. The client will take possession of acquired land and related assets only after compensation has been made available and, where applicable, resettlement sites and moving	Compensation payments for the upstream FFD projects have not yet been paid and affected households are still to be determined. The LARF commits the project to develop a RAP and LRP, which will include a census and assessment of government inventories, to ensure adequate compensation is paid.	Implementation of the LARF and development of project-specific RAP / LRP required.

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	allowances have been provided to the displaced persons in addition to compensation. The client will also provide opportunities to displaced communities and persons to derive appropriate development benefits from the project.		
Community Engagement			
10.	The client will engage with Affected Communities, including host communities, through the process of stakeholder engagement described in Performance Standard 1. Decision-making processes related to resettlement and livelihood restoration should include options and alternatives, where applicable. Disclosure of relevant information and participation of Affected Communities and persons will continue during the planning, implementation, monitoring, and evaluation of compensation payments, livelihood restoration activities, and resettlement to achieve outcomes that are consistent with the objectives of this Performance Standard. 16 Additional provisions apply to consultations with Indigenous Peoples, in accordance with Performance Standard 7.	TKBV has previously used an ICP and, where relevant, an FPIC approach to land access to ensure robust consultation, which has been documented and signed off in accordance with FPIC procedures. This process is also proposed for the land acquisition for the upstream FFD project as outlined in the upstream project SEP.	The RAP and LRP for the project still need to be developed. These documents must clearly specify a proposed engagement approach with affected individuals and households. They should also outline a more detailed stakeholder analysis and a consultation schedule ahead of construction. The stakeholder analysis should clearly state whether indigenous peoples are present and if not, provide a clear rationale for this conclusion.
Grievance Mechanism			
11.	The client will establish a grievance mechanism consistent with Performance Standard 1 as early as possible in the project development phase. This will allow the client to receive and address specific concerns about compensation and relocation raised by displaced persons or members of host communities in a timely fashion, including a recourse mechanism designed to resolve disputes in an impartial manner.	The ESIA refers to the grievance mechanism and this is described in the SEP for upstream.	The grievance mechanism should be established at the early stages of the project and the RAP and LRP should include a specific process for addressing livelihood based grievances. The RAP and LRP should include prioritisation criteria with timeframes for addressing grievances. Additionally methods for disseminating information about the grievance process and accessibility needs to be detailed, including how it will be communicated to and accessed by pastoralists, vulnerable groups and women.
Resettlement and Livelihood Restoration Planning and Implementation			
12.	Where involuntary resettlement is unavoidable, either as a result of a negotiated settlement or expropriation, a census will be carried out to collect appropriate socio-economic baseline data to identify the persons	The LARF was revised in November, 2019 and is still awaiting sign-off with government. TKBV and the government	The LARF needs to be finalized to enable a RAP and LRP to be developed. The RAP / LRP must provide a detailed baseline, specify

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<p>who will be displaced by the project, determine who will be eligible for compensation and assistance, and discourage ineligible persons, such as opportunistic settlers, from claiming benefits. In the absence of host government procedures, the client will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and disseminated throughout the project area.</p>	<p>(particularly MOPN) are still to agree how the two land acquisition processes will work together – both the statutory and supplementary process, without setting a precedent that concerns the GoK.</p> <p>All physical structures have been mapped. Some 130 homesteads may be lost to the project, although these are often temporary homesteads as nomadic pastoralists in the Project area typically move their homesteads frequently, potentially minimising the severity of impact.</p>	<p>displacement impacts outline the extent of loss. An entitlements framework must be developed outlining both statutory and supplementary compensation measures (cash and in-kind measures). Key implementation activities, stakeholder engagement, grievance management and a monitoring and evaluation framework should be clearly described.</p>
13.	<p>In cases where affected persons reject compensation offers that meet the requirements of this Performance Standard and, as a result, expropriation or other legal procedures are initiated, the client will explore opportunities to collaborate with the responsible government agency, and, if permitted by the agency, play an active role in resettlement planning, implementation, and monitoring (see paragraphs 30–32).</p>	<p>The LARF specifies that supplementary actions will be undertaken in addition to statutory activities to ensure alignment with IFC PS5. These do not provide any specific detail, other than a RAP and LRP are to be developed and implemented.</p>	<p>The RAP and LRP should be developed to ensure that adequate compensations and livelihood restoration measures are implemented prior to construction commencing.</p>
14.	<p>The client will establish procedures to monitor and evaluate the implementation of a Resettlement Action Plan or Livelihood Restoration Plan (see paragraphs 19 and 25) and take corrective action as necessary. The extent of monitoring activities will be commensurate with the project's risks and impacts. For projects with significant involuntary resettlement risks, the client will retain competent resettlement professionals to provide advice on compliance with this Performance Standard and to verify the client's monitoring information. Affected persons will be consulted during the monitoring process.</p>	<p>See responses to Paragraph 12 and 13 with respect to RAP and LRP requirements.</p>	<p>Due to the nature of the project, monitoring and evaluation will be site / context specific. Therefore the RAP and LRP developed for the project must outline clear monitoring and evaluation criteria. Livelihood restoration criteria should be informed by the baseline to be able to measure how livelihoods and standard of living has been restored following displacement.</p>
15.	<p>Implementation of a Resettlement Action Plan or Livelihood Restoration Plan will be considered completed when the adverse impacts of resettlement have been addressed in a manner that is consistent with the relevant plan as well as the objectives of this Performance Standard. It may be necessary for the client to commission an external completion audit of the Resettlement Action Plan or Livelihood Restoration Plan to assess whether the provisions have been met, depending on the scale and/or complexity of physical and economic displacement associated with a project. The completion audit should be</p>	<p>See responses to Paragraph 12 and 13 with respect to RAP and LRP requirements.</p>	<p>See responses to Paragraph 12 to 14 with respect to RAP and LRP requirements.</p>

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	undertaken once all mitigation measures have been substantially completed and once displaced persons are deemed to have been provided adequate opportunity and assistance to sustainably restore their livelihoods. The completion audit will be undertaken by competent resettlement professionals once the agreed monitoring period is concluded. The completion audit will include, at a minimum, a review of the totality of mitigation measures implemented by the Client, a comparison of implementation outcomes against agreed objectives, and a conclusion as to whether the monitoring process can be ended		
16.	Where the exact nature or magnitude of the land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown due to the stage of project development, the client will develop a Resettlement and/or Livelihood Restoration Framework outlining general principles compatible with this Performance Standard. Once the individual project components are defined and the necessary information becomes available, such a framework will be expanded into a specific Resettlement Action Plan or Livelihood Restoration Plan and procedures in accordance with paragraphs 19 and 25 below.	A LARF is currently in development and outlines a process to be followed, however there is limited detail in this document and a RAP and LRP is required, providing additional detail on measures to resettle affected households and restore livelihoods.	See responses to Paragraph 12 to 14 with respect to RAP and LRP requirements.
Displacement			
17.	Displaced persons may be classified as persons (i) who have formal legal rights to the land or assets they occupy or use; (ii) who do not have formal legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law; or (iii) who have no recognizable legal right or claim to the land or assets they occupy or use. The census will establish the status of the displaced persons.	The ESIA clearly defines all homesteads that will be potentially physically impacted. Land use rights have also be clearly defined.	These rights should be articulated in further detail in the RAP and LRP to be developed.
18.	Project-related land acquisition and/or restrictions on land use may result in the physical displacement of people as well as their economic displacement. Consequently, requirements of this Performance Standard in respect of physical displacement and economic displacement may apply simultaneously.	See response to Paragraph 17.	See response to Paragraph 17.
Physical Displacement			
19.	In the case of physical displacement, the client will develop a Resettlement Action Plan that covers, at a minimum, the applicable	A LARF is currently in development and outlines a process to be followed, however	A RAP will be developed, identifying all measures to resettle households. The RAP

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	requirements of this Performance Standard regardless of the number of people affected. This will include compensation at full replacement cost for land and other assets lost. The Plan will be designed to mitigate the negative impacts of displacement; identify development opportunities; develop a resettlement budget and schedule; and establish the entitlements of all categories of affected persons (including host communities). Particular attention will be paid to the needs of the poor and the vulnerable. The client will document all transactions to acquire land rights, as well as compensation measures and relocation activities.	there is limited detail in this document and a RAP and LRP is required, providing additional detail on measures to resettle affected households and restore livelihoods.	should be fully aligned with the requirements set out in this Performance Standard, (e.g. Paragraphs 19 – 24).
20.	If people living in the project area are required to move to another location, the client will (i) offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation where appropriate; and (ii) provide relocation assistance suited to the needs of each group of displaced persons. New resettlement sites built for displaced persons must offer improved living conditions. The displaced persons' preferences with respect to relocating in pre-existing communities and groups will be taken into consideration. Existing social and cultural institutions of the displaced persons and any host communities will be respected.	See response to Paragraph 19 with respect to physical displacement.	See response to Paragraph 19 with respect to physical displacement.
21.	In the case of physically displaced persons under paragraph 17 (i) or (ii), the client will offer the choice of replacement property of equal or higher value, security of tenure, equivalent or better characteristics, and advantages of location or cash compensation where appropriate. Compensation in kind should be considered in lieu of cash. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.	See response to Paragraph 19 with respect to physical displacement.	See response to Paragraph 19 with respect to physical displacement.
22.	In the case of physically displaced persons under paragraph 17 (iii), the client will offer them a choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction. Where these displaced persons own and occupy structures, the client will compensate them for the loss of assets other than land, such as dwellings and other improvements to the land, at full replacement cost, provided that these persons have been occupying the project area prior to the cut-off date for eligibility. Based on consultation with such displaced persons, the client will provide relocation assistance sufficient for them to restore their standard of living at an adequate alternative site.	See response to Paragraph 19 with respect to physical displacement.	See response to Paragraph 19 with respect to physical displacement.

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23.	The client is not required to compensate or assist those who encroach on the project area after the cut-off date for eligibility, provided the cut-off date has been clearly established and made public.	Cut-off dates have not been specified in the ESIA although they are referenced with respect to the development of the RAP / LRP.	A cut-off date should be clearly articulated in the RAP and LRP and communicated to affected households and individuals.
<i>Economic Displacement</i>			
25.	In the case of projects involving economic displacement only, the client will develop a Livelihood Restoration Plan to compensate affected persons and/or communities and offer other assistance that meets the objectives of this Performance Standard. The Livelihood Restoration Plan will establish the entitlements of affected persons and/or communities and will ensure that these are provided in a transparent, consistent, and equitable manner. The mitigation of economic displacement will be considered complete when affected persons or communities have received compensation and other assistance according to the requirements of the Livelihood Restoration Plan and this Performance Standard, and are deemed to have been provided with adequate opportunity to re-establish their livelihoods.	The majority of land related impacts are economic and these are described in detail in ESIA. The majority of impacts will be temporary. The LARF commits to develop a LRP.	The LRP is still to be developed.
26.	If land acquisition or restrictions on land use result in economic displacement defined as loss of assets and/or means of livelihood, regardless of whether or not the affected people are physically displaced, the client will meet the requirements in paragraphs 27–29 below, as applicable.	The ESIA defines temporary and permanent restrictions on use of land. The majority of restrictions will be temporary but there will be some permanent loss of access. The government has gazetted 6,500 ha for the upstream project, while facilities only require land take of around 1,089 ha.	The LRP for upstream must demonstrate that communities will still have the right to access land within the 6,500 ha gazette area to ensure that displacement is not larger than the impact assessment indicates. Agreements enabling access to this land must be documented in the LRP and in community FPIC agreements.
27.	Economically displaced persons who face loss of assets or access to assets will be compensated for such loss at full replacement cost. <ul style="list-style-type: none"> ■ In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of re-establishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment. 	The ESIA describes that livelihood restoration support will be provided through Community Development Plans (CDPs).	The LRP must clearly articulate how affected households and individuals (if identified) receive tailored support, to ensure that it is not diluted through a wider community development program. Livelihood restoration measures form part of the entitlements of affected households and therefore should be targeted specifically at households. There is a danger that some households may not benefit through a broader CDP, particularly if measures include training and support for enterprise development.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ In cases affecting persons with legal rights or claims to land which are recognized or recognizable under national law (see paragraph 17 (i) and (ii)), replacement property (e.g., agricultural or commercial sites) of equal or greater value will be provided, or, where appropriate, cash compensation at full replacement cost. ■ Economically displaced persons who are without legally recognizable claims to land (see paragraph 17 (iii)) will be compensated for lost assets other than land (such as crops, irrigation infrastructure and other improvements made to the land), at full replacement cost. The client is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date for eligibility. 		<p>Therefore, the entitlements matrix in the RAP and LRP must ensure that both cash and in-kind measures to restore livelihoods are tailored to individuals where relevant and that this can be demonstrated. Individuals affected will be required to sign-off on these entitlements, including livelihood restoration measures, allowances and transitional support measures.</p>
28.	<p>In addition to compensation for lost assets, if any, as required under paragraph 27, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living:</p> <ul style="list-style-type: none"> ■ For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority. ■ For persons whose livelihoods are natural resource-based and where project-related restrictions on access envisaged in paragraph 5 apply, implementation of measures will be made to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature rather than directly oriented towards individuals or households. 	<p>See response to Paragraph 27 with respect to livelihood restoration.</p>	<p>See response to Paragraph 27 with respect to livelihood restoration.</p>

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ If circumstances prevent the client from providing land or similar resources as described above, alternative income earning opportunities may be provided, such as credit facilities, training, cash, or employment opportunities. Cash compensation alone, however, is frequently insufficient to restore livelihoods. 		
29.	Transitional support should be provided as necessary to all economically displaced persons, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.	See response to Paragraph 27 with respect to livelihood restoration.	See response to Paragraph 27 with respect to livelihood restoration.
Private Sector Responsibilities Under Government-Managed Resettlement			
30.	Where land acquisition and resettlement are the responsibility of the government, the client will collaborate with the responsible government agency, to the extent permitted by the agency, to achieve outcomes that are consistent with this Performance Standard. In addition, where government capacity is limited, the client will play an active role during resettlement planning, implementation, and monitoring, as described below.	The land acquisition process is are being led by the GoK. The LARF has been developed to specifically address gaps and identify supplementary actions to ensure alignment if IFC PS5.	The LARF still needs to be finalised following discussion with the GoK, including MoPN. Specific supplementary actions for the project still need to be clarified / developed.
31.	In the case of acquisition of land rights or access to land through compulsory means or negotiated settlements involving physical displacement, the client will identify and describe government resettlement measures. If these measures do not meet the relevant requirements of this Performance Standard, the client will prepare a Supplemental Resettlement Plan that, together with the documents prepared by the responsible government agency, will address the relevant requirements of this Performance Standard (the General Requirements and requirements for Physical Displacement and Economic Displacement above). The client will need to include in its Supplemental Resettlement Plan, at a minimum (i) identification of affected people and impacts; (ii) a description of regulated activities, including the entitlements of displaced persons provided under applicable national laws and regulations; (iii) the supplemental measures to achieve the requirements of this Performance Standard as described in paragraphs 19–29 in a way that is permitted by the responsible agency and implementation time schedule; and (iv) the financial and implementation responsibilities of the client in the	See response to Paragraph 30 with respect to supplementary actions.	See response to Paragraph 30 with respect to supplementary actions.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	execution of its Supplemental Resettlement Plan.		
32.	In the case of projects involving economic displacement only, the client will identify and describe the measures that the responsible government agency plans to use to compensate Affected Communities and persons. If these measures do not meet the relevant requirements of this Performance Standard, the client will develop an Environmental and Social Action Plan to complement government action. This may include additional compensation for lost assets, and additional efforts to restore lost livelihoods where applicable.	As above, although the supplementary actions will be implemented by the project and not the government.	See response to Paragraph 30.

Table B.6 Performance Standard 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources)

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
General			
7.	As a matter of priority, the client should seek to avoid impacts on biodiversity and ecosystem services. When avoidance of impacts is not possible, measures to minimize impacts and restore biodiversity and ecosystem services should be implemented. Given the complexity in predicting project impacts on biodiversity and ecosystem services over the long term, the client should adopt a practice of adaptive management in which the implementation of mitigation and management measures are responsive to changing conditions and the results of monitoring throughout the project's lifecycle.	The assessment has documented relevant threats to biodiversity and ecosystem service values. The assessment has been undertaken using contemporary baseline data for the Project area. The mitigation hierarchy has been used to identify priority biodiversity values and an impact assessment completed as per the requirements of the paragraph. It is noted that adaptive management would be included within an ESMS or Biodiversity Action Plan (BAP), which was not available for review.	ESMS and/or BAP to include details of approach to monitoring and adaptive management.
8.	Where paragraphs 13–15 are applicable, the client will retain competent professionals to assist in conducting the risks and impacts identification process. Where paragraphs 16–19 are applicable, the client should retain external experts with appropriate regional experience to assist in the development of a mitigation hierarchy that complies with this Performance Standard and to verify the implementation of those	The ESIA contractor are scheduled to complete the relevant assessment. Consultation has occurred with relevant species experts. The critical habitat assessment had not been completed at the time of the review so it is not clear what	Completion of the critical habitat assessment and verification that consultation took place with relevant experts in determining the critical habitat status of the Project.

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	measures.	consultation with external experts has occurred in determining the critical habitat status of the Project.	
Protection and Conservation of Biodiversity			
9.	Habitat is defined as a terrestrial, freshwater, or marine geographical unit or airway that supports assemblages of living organisms and their interactions with the non-living environment. For the purposes of implementation of this Performance Standard, habitats are divided into modified, natural, and critical. Critical habitats are a subset of modified or natural habitats.	<p>The critical habitat assessment (planned as an Annex to the ESIA) was not available for review. There is reference to critical habitat triggers and mitigations in the impact assessment. A summary of the critical habitat findings in the main text of the ESIA would assist the reader understand the rationale of the CH triggers.</p> <p>Natural and modified habitats requires more robust justification of the various land classes. There is currently only one natural habitat identified, but this is not well-justified in the text.</p>	<p>Finalise critical habitat assessment</p> <p>Natural/modified habitat assessment requires greater justification and documentation. Suggest that additional information be included in the ESIA as part of Table 6.9.3:27 – Land class assessment. The table should clearly provide evidence on which land classes are considered to be natural/modified. This should include photographic and botanical evidence</p>
10.	For the protection and conservation of biodiversity, the mitigation hierarchy includes biodiversity offsets, which may be considered only after appropriate avoidance, minimization, and restoration measures have been applied. A biodiversity offset should be designed and implemented to achieve measurable conservation outcomes that can reasonably be expected to result in no net loss and preferably a net gain of biodiversity; however, a net gain is required in critical habitats. The design of a biodiversity offset must adhere to the “like-for-like or better” principle and must be carried out in alignment with best available information and current practices. When a client is considering the development of an offset as part of the mitigation strategy, external experts with knowledge in offset design and implementation must be involved.	<p>The impact assessment has been completed using the mitigation hierarchy. Appropriate mitigation measures appear to have been applied for all sensitive receptors identified, including for natural and critical habitat values.</p> <p>Potential impacts due to induced human impacts are scoped and assessed in the social and ecosystem services components.</p>	<p>Assessment to cross reference potential induced impacts from induced human activities (e.g. hunting poaching, vegetation clearance) to determine if these effects will result in a greater magnitude of impact. If so, additional mitigation may also be required (especially to meet ‘no net loss’ for natural habitat and ‘net gain’ for any critical habitat).</p>
Modified Habitat			
11.	Modified habitats are areas that may contain a large proportion of plant and/or animal species of non-native origin, and/or where human activity has substantially modified an area’s primary ecological functions and	Modified habitats have been identified. As noted above, further justification for the classification of habitats is required.	Modified habitat assessment requires greater justification and documentation. See response to Paragraph 9 for additional details.

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	species composition. Modified habitats may include areas managed for agriculture, forest plantations, reclaimed coastal zones, and reclaimed wetlands.		
Natural Habitat			
15.	<p>In areas of natural habitat, mitigation measures will be designed to achieve no net loss of biodiversity where feasible. Appropriate actions include:</p> <ul style="list-style-type: none"> ■ Avoiding impacts on biodiversity through the identification and protection of set-asides; ■ Implementing measures to minimize habitat fragmentation, such as biological corridors; ■ Restoring habitats during operations and/or after operations; and ■ Implementing biodiversity offsets. 	Mitigation measures have been applied in the ESIA that consider 'no net loss', however induced human impacts require further scoping and assessment and this may affect the mitigation required.	Natural habitat assessment requires greater justification and documentation. See response to Paragraph 9.
Critical Habitat			
16.	Critical habitats are areas with high biodiversity value, including (i) habitat of significant importance to Critically Endangered and/or Endangered species; (ii) habitat of significant importance to endemic and/or restricted-range species; (iii) habitat supporting globally significant concentrations of migratory species and/or congregatory species; (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes.	The critical habitat assessment (planned as an Annex to the ESIA) was not available for review. It was noted that critical habitat was triggered for the project for several species and assessed within the impact assessment. See above at 9.	Finalize critical habitat assessment
17.	<p>In areas of critical habitat, the client will not implement any project activities unless all of the following are demonstrated:</p> <ul style="list-style-type: none"> ■ No other viable alternatives within the region exist for development of the project on modified or natural habitats that are not critical; ■ The project does not lead to measurable adverse impacts on those biodiversity values for which the critical habitat was designated, and on the ecological processes supporting those biodiversity values; 	Avoidance measures have been applied to area identified as critical habitat. Potential induced impacts such as potential increases in human populations associated with the project impacting critical habitats have been assessed in the social and ecosystem services chapter. Cross referencing to the biodiversity impacts is required, especially in relation to critical habitat values.	Critical habitat assessment requires greater justification and documentation. See response to Paragraph 9 for additional details.

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ The project does not lead to a net reduction in the global and/or national/regional population of any Critically Endangered or Endangered species over a reasonable period of time; and ■ A robust, appropriately designed, and long-term biodiversity monitoring and evaluation program is integrated into the client's management program. 	A long term biodiversity monitoring and evaluation program has not been designed, however this would be included in the Biodiversity Action Plan for the project.	
18.	In such cases where a client is able to meet the requirements defined in paragraph 17, the project's mitigation strategy will be described in a Biodiversity Action Plan and will be designed to achieve net gains of those biodiversity values for which the critical habitat was designated.	<p>A no-net-loss/net gain assessment has not been completed for the project.</p> <p>Given critical habitat has been identified; a BAP will be required. Measures to achieve net-gain will also need to be assessed and included within the ESIA. Requirement for a BAP is mentioned in Table 7.7-5 however this should be more explicit in relation to the critical habitat triggers.</p>	<p>Complete a no-net-loss/net gain assessment for the project.</p> <p>Clearer definition on the triggers for a BAP required and completion of BAP.</p>
19.	In instances where biodiversity offsets are proposed as part of the mitigation strategy, the client must demonstrate through an assessment that the project's significant residual impacts on biodiversity will be adequately mitigated to meet the requirements of paragraph 17.	See above at 18. A no-net-loss/net gain assessment has not been completed for the project and hence the need for biodiversity offsets has not been confirmed.	See response to Paragraph 18.
Legally Protected and Internationally Recognized Areas			
20.	<p>In circumstances where a proposed project is located within a legally protected area or an internationally recognized area, the client will meet the requirements of paragraphs 13 through 19 of this Performance Standard, as applicable. In addition, the client will:</p> <ul style="list-style-type: none"> ■ Demonstrate that the proposed development in such areas is legally permitted; ■ Act in a manner consistent with any government recognized management plans for such areas; 	<p>The water supply pipeline will pass through two protected areas in Pokot county (Nasalot Nature Reserve and Pellow Community Conservation Conservancy).</p> <p>Requirements to satisfy this clause are not well documented in the ESIA.</p>	Details of project activities and potential impacts within these protected areas need to be included in the ESIA.

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ Consult protected area sponsors and managers, Affected Communities, Indigenous Peoples and other stakeholders on the proposed project, as appropriate; and ■ Implement additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the area. 		
Supply Chain			
30.	<p>Where a client is purchasing primary production (especially but not exclusively food and fiber commodities) that is known to be produced in regions where there is a risk of significant conversion of natural and/or critical habitats, systems and verification practices will be adopted as part of the client's ESMS to evaluate its primary suppliers. The systems and verification practices will (i) identify where the supply is coming from and the habitat type of this area; (ii) provide for an ongoing review of the client's primary supply chains; (iii) limit procurement to those suppliers that can demonstrate that they are not contributing to significant conversion of natural and/or critical habitats (this may be demonstrated by delivery of certified product, or progress towards verification or certification under a credible scheme in certain commodities and/or locations); and (iv) where possible, require actions to shift the client's primary supply chain over time to suppliers that can demonstrate that they are not significantly adversely impacting these areas. The ability of the client to fully address these risks will depend upon the client's level of management control or influence over its primary suppliers.</p>	Unclear as to whether natural resources will be used by the Project. No details on evaluation of primary supply chain in ESIA.	Provide justification if natural resources are used. Include the primary supply chain – see comment on PS1 Paragraph 10.

IFC Performance Standard 7 (Indigenous Peoples)

No indigenous peoples were identified in the ESIA as Affected Communities, and as such this Performance Standard is not considered further. FPIC is currently being applied by TKBV with respect to land acquisition due to the presence of domestic pastoralists, which are considered a highly vulnerable group. However, it is recommended that the ESIA provide commentary on why the different pastoralist ethnic groups identified are not considered as indigenous peoples. This will provide confidence that PS 7 is not applicable to this project

IFC Performance Standard 8 (Cultural Heritage)

No significant gaps were identified with respects to Performance Standard 8 (Cultural Heritage). The ESIA provides an overview of the cultural setting of the project area and the project has committed to working with the National Museums of Kenya to undertake a pre-construction archaeological investigation. The ESIA also acknowledges that there may still be cultural heritage that has not been identified within the project footprint. A Cultural Heritage Management Plan and a Chance Finds Procedure have been recommended as management and mitigation tools. Ongoing consultation with local communities and other stakeholders has also been recommended as part of mitigation.

APPENDIX C REVIEW OF THE LLCOP ESIA

Table C.1 Performance Standard 1 (Assessment and Management of Environmental and Social Risks and Impacts)

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
Environmental and Social Assessment and Management System			
5.	The client, in coordination with other responsible government agencies and third parties as appropriate, will conduct a process of environmental and social assessment, and establish and maintain an ESMS appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts. The ESMS will incorporate the following elements: (i) policy; (ii) identification of risks and impacts; (iii) management programs; (iv) organizational capacity and competency; (v) emergency preparedness and response; (vi) stakeholder engagement; and (vii) monitoring and review.	<p>The ESIA includes the Environmental and Social Management Plan (ESMP) and a commitment to develop an Environmental and Social Management System (ESMS) to implement the ESMP once PipeCo (the pipeline operator) is formed.</p> <p>The limited information available at this stage on the proposed ESMS does not include any information that would constitute a deviation of the IFC PS 1 requirements.</p>	<p>PipeCo to develop the ESMS and overarching policy as set out in the ESIA.</p> <p>The ESMS should follow the guidelines set out in this Performance Standard, i.e. Paragraphs 5, 13-18, 22-24.</p> <p>Measures should be put in place for the JV partners included in the upstream development to review and verify the ESMS is being implemented in-line with commitments. Given the high level of influence they can be expected to have on PipeCo, a mechanism for corrective action should be in-place if this review and verification process identifies any significant deficiencies.</p>
Policy			
6.	The client will establish an overarching policy defining the environmental and social objectives and principles that guide the project to achieve sound environmental and social performance. The policy provides a framework for the environmental and social assessment and management process, and specifies that the project (or business activities, as appropriate) will comply with the applicable laws and regulations of the jurisdictions in which it is being undertaken, including those laws implementing host country obligations under international law. The policy should be consistent with the principles of the Performance Standards. Under some circumstances, clients may also subscribe to other internationally recognized standards, certification schemes, or codes of practice and these too should be included in the policy. The policy will indicate who, within the client's organization, will ensure conformance with the policy and be responsible for its execution (with reference to an appropriate responsible government agency or third party, as necessary). The client will communicate the policy to all levels of its organization.	Whilst this document (as well as the ESMS) has not yet been developed for the midstream activities, the outline of the proposed ESMS does set out the standards that will be applied with regards to environmental and social management and this references both national and lender standards.	<p>PipeCo to develop the ESMS and overarching policy as set out in the ESIA.</p> <p>The JV partners included in the upstream development should verify completion of this.</p>

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
Identification of Risks and Impacts			
7.	<p>The client will establish and maintain a process for identifying the environmental and social risks and impacts of the project (see paragraph 18 for competency requirements). The type, scale, and location of the project guide the scope and level of effort devoted to the risks and impacts identification process. The scope of the risks and impacts identification process will be consistent with good international industry practice, and will determine the appropriate and relevant methods and assessment tools. The process may comprise a full-scale environmental and social impact assessment, a limited or focused environmental and social assessment, or straightforward application of environmental siting, pollution standards, design criteria, or construction standards. When the project involves existing assets, environmental and/or social audits or risk/hazard assessments can be appropriate and sufficient to identify risks and impacts. If assets to be developed, acquired or financed have yet to be defined, the establishment of an environmental and social due diligence process will identify risks and impacts at a point in the future when the physical elements, assets, and facilities are reasonably understood. The risks and impacts identification process will be based on recent environmental and social baseline data at an appropriate level of detail. The process will consider all relevant environmental and social risks and impacts of the project, including the issues identified in Performance Standards 2 through 8, and those who are likely to be affected by such risks and impacts. The risks and impacts identification process will consider the emissions of greenhouse gases, the relevant risks associated with a changing climate and the adaptation opportunities, and potential transboundary effects, such as pollution of air, or use or pollution of international waterways.</p>	<p>The general impact assessment methodology set out in the ESIA is in-line with GIIP.</p> <p>The ESIA did not fully assess the emissions of greenhouse gases, the relevant risks associated with a changing climate and the adaptation opportunities.</p> <p>Given the nature of the project, routine greenhouse gas emissions during the operational phase are likely to be minimal.</p> <p>With regards to climate change resilience and opportunities, the ESIA makes reference to additional work that will be completed during the detailed design stage to verify how the design will incorporate climate change effects (which have been included in the ESIA baseline chapter).</p>	<p>A screening assessment to estimate operational phase emissions should be performed to verify the assumption that greenhouse gas emissions will be negligible.</p> <p>During the detailed design stage, an assessment should be carried out on how the design has incorporated climate resilience and has responded to any adaptation opportunities (if applicable).</p>
8.	<p>Where the project involves specifically identified physical elements, aspects, and facilities that are likely to generate impacts, environmental and social risks and impacts will be identified in the context of the project's area of influence. This area of influence encompasses, as appropriate:</p> <ul style="list-style-type: none"> ■ The area likely to be affected by: (i) the project and the client's activities and facilities that are directly owned, operated or managed (including by contractors) and that are a component of the project; (ii) impacts from unplanned but predictable developments caused by the 	<p>The definition of area of influence does not reference IFC's PS 1 definition in this ESIA. The ESIA includes a consideration of the first and last bullets in the definition, however, associated facilities are not considered. It is noted that the midstream project is considered an associated facility to the upstream development, however the identification and assessment of any additional associated facilities is required.</p>	<p>The ESIA should list all project related components and state which are considered as associated facilities or primary supply chain facilities. For any associated facilities, an assessment of potential environmental and social impacts is required to the same level as any other core project component.</p>

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
	<p>project that may occur later or at a different location; or (iii) indirect project impacts on biodiversity or on ecosystem services upon which Affected Communities' livelihoods are dependent.</p> <ul style="list-style-type: none"> ■ Associated facilities, which are facilities that are not funded as part of the project and that would not have been constructed or expanded if the project did not exist and without which the project would not be viable. ■ Cumulative impacts that result from the incremental impact, on areas or resources used or directly impacted by the project, from other existing, planned or reasonably defined developments at the time the risks and impacts identification process is conducted. 		
9.	In the event of risks and impacts in the project's area of influence resulting from a third party's actions, the client will address those risks and impacts in a manner commensurate with the client's control and influence over the third parties, and with due regard to conflict of interest.	As the risks and impacts identified in this ESIA will not be directly managed by the JV partners in the South Lokichar Development), all measures are subject to this paragraph. As the pipeline is being managed under a JDA which all of the South Lokichar Development JV partners are part of, a high level of influence can be expected.	Measures should be put in place for the upstream development JV partners to review and verify the ESMS is being implemented in-line with the commitments made. Given the high level of influence the JV partners in the South Lokichar Development can be expected to have on PipeCo, a mechanism for corrective action should be in-place if this review and verification process identifies any significant deficiencies.
10.	Where the client can reasonably exercise control, the risks and impacts identification process will also consider those risks and impacts associated with primary supply chains, as defined in Performance Standard 2 (paragraphs 27–29) and Performance Standard 6 (paragraph 30).	The ESIA does not address primary supply chain facilities.	If primary supply chain facilities are identified then the assessment requires to evaluate labour and biodiversity risks and impacts associated with these activities.
Management Programs			
13.	Consistent with the client's policy and the objectives and principles described therein, the client will establish management programs that, in sum, will describe mitigation and performance improvement measures and actions that address the identified environmental and social risks and impacts of the project.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.

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14.	Depending on the nature and scale of the project, these programs may consist of some documented combination of operational procedures, practices, plans, and related supporting documents (including legal agreements) that are managed in a systematic way. The programs may apply broadly across the client's organization, including contractors and primary suppliers over which the organization has control or influence, or to specific sites, facilities, or activities. The mitigation hierarchy to address identified risks and impacts will favor the avoidance of impacts over minimization, and, where residual impacts remain, compensation/offset, wherever technically and financially feasible.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.
15.	Where the identified risks and impacts cannot be avoided, the client will identify mitigation and performance measures and establish corresponding actions to ensure the project will operate in compliance with applicable laws and regulations, and meet the requirements of Performance Standards 1 through 8. The level of detail and complexity of this collective management program and the priority of the identified measures and actions will be commensurate with the project's risks and impacts, and will take account of the outcome of the engagement process with Affected Communities as appropriate.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.
16.	The management programs will establish environmental and social Action Plans, which will define desired outcomes and actions to address the issues raised in the risks and impacts identification process, as measurable events to the extent possible, with elements such as performance indicators, targets, or acceptance criteria that can be tracked over defined time periods, and with estimates of the resources and responsibilities for implementation. As appropriate, the management program will recognize and incorporate the role of relevant actions and events controlled by third parties to address identified risks and impacts. Recognizing the dynamic nature of the project, the management program will be responsive to changes in circumstances, unforeseen events, and the results of monitoring and review.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.
Organizational Capacity and Competency			
17.	The client, in collaboration with appropriate and relevant third parties, will establish, maintain, and strengthen as necessary an organizational structure that defines roles, responsibilities, and authority to implement the ESMS. Specific personnel, including management representative(s), with	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.

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	clear lines of responsibility and authority should be designated. Key environmental and social responsibilities should be well defined and communicated to the relevant personnel and to the rest of the client's organization. Sufficient management sponsorship and human and financial resources will be provided on an ongoing basis to achieve effective and continuous environmental and social performance.		
18.	Personnel within the client's organization with direct responsibility for the project's environmental and social performance will have the knowledge, skills, and experience necessary to perform their work, including current knowledge of the host country's regulatory requirements and the applicable requirements of Performance Standards 1 through 8. Personnel will also possess the knowledge, skills, and experience to implement the specific measures and actions required under the ESMS and the methods required to perform the actions in a competent and efficient manner.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.
Emergency Preparedness and Response			
20.	Where the project involves specifically identified physical elements, aspects and facilities that are likely to generate impacts, the ESMS will establish and maintain an emergency preparedness and response system so that the client, in collaboration with appropriate and relevant third parties, will be prepared to respond to accidental and emergency situations associated with the project in a manner appropriate to prevent and mitigate any harm to people and/or the environment. This preparation will include the identification of areas where accidents and emergency situations may occur, communities and individuals that may be impacted, response procedures, provision of equipment and resources, designation of responsibilities, communication, including that with potentially Affected Communities and periodic training to ensure effective response. The emergency preparedness and response activities will be periodically reviewed and revised, as necessary, to reflect changing conditions.	<p>Section 7.14 of the ESIA includes the assessment of emergency, accidental and non-routine events. This section references the preparation of an Emergency Preparedness and Response Plan, an Oil Spill Contingency Plan, and a Quantitative Risk Assessment; however these documents were not provided for review.</p> <p>With regards to oil spill, the assessment is very focused on the marine impacts in the event that a release occurred on the Lamu end (oil spill modelling has been carried out for several possible offshore spill scenarios); however, very little discussion of impacts from an onshore oil release are included (e.g. following a seismic event). Whilst it is included, no discussion of impacts on users of local groundwater is included.</p>	<p>Supplemental assessment of the potential impacts from an onshore oil spill from loss of pipeline containment should be conducted.</p> <p>Confirm development of the Emergency Preparedness and Response Plan (and any risk management assessments or plans referenced therein), including each of the following components:</p> <ul style="list-style-type: none"> ■ identification of areas where accidents and emergency situations may occur; ■ communities and individuals that may be impacted; ■ response procedures; ■ provision of equipment and resources; ■ designation of responsibilities;

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
		The ESIA does not discuss how affected communities would be notified in the event of any of the emergencies cited.	<ul style="list-style-type: none"> ■ internal communications ■ external communications with Affected Communities (including providing assistance in helping them organize the community response if needed); ■ periodic training; and ■ a mechanism to periodically review and revise the plan, as necessary.
21.	Where applicable, the client will also assist and collaborate with the potentially Affected Communities (see Performance Standard 4) and the local government agencies in their preparations to respond effectively to emergency situations, especially when their participation and collaboration are necessary to ensure effective response. If local government agencies have little or no capacity to respond effectively, the client will play an active role in preparing for and responding to emergencies associated with the project. The client will document its emergency preparedness and response activities, resources, and responsibilities, and will provide appropriate information to potentially Affected Community and relevant government agencies.	See response to Paragraph 20. Note, Section 7.11 of the ESIA does not identify if/how the Project will interact with the affected communities in the event of an emergency.	See response to Paragraph 20.
Monitoring and Review			
22.	The client will establish procedures to monitor and measure the effectiveness of the management program, as well as compliance with any related legal and/or contractual obligations and regulatory requirements. Where the government or other third party has responsibility for managing specific risks and impacts and associated mitigation measures, the client will collaborate in establishing and monitoring such mitigation measures. Where appropriate, clients will consider involving representatives from Affected Communities to participate in monitoring activities. The client's monitoring program should be overseen by the appropriate level in the organization. For projects with significant impacts, the client will retain external experts to verify its monitoring information. The extent of monitoring should be commensurate with the project's environmental and social risks and impacts and with compliance requirements.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.

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23.	In addition to recording information to track performance and establishing relevant operational controls, the client should use dynamic mechanisms, such as internal inspections and audits, where relevant, to verify compliance and progress toward the desired outcomes. Monitoring will normally include recording information to track performance and comparing this against the previously established benchmarks or requirements in the management program. Monitoring should be adjusted according to performance experience and actions requested by relevant regulatory authorities. The client will document monitoring results and identify and reflect the necessary corrective and preventive actions in the amended management program and plans. The client, in collaboration with appropriate and relevant third parties, will implement these corrective and preventive actions, and follow up on these actions in upcoming monitoring cycles to ensure their effectiveness.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.
24.	Senior management in the client organization will receive periodic performance reviews of the effectiveness of the ESMS, based on systematic data collection and analysis. The scope and frequency of such reporting will depend upon the nature and scope of the activities identified and undertaken in accordance with the client's ESMS and other applicable project requirements. Based on results within these performance reviews, senior management will take the necessary and appropriate steps to ensure the intent of the client's policy is met, that procedures, practices, and plans are being implemented, and are seen to be effective.	See responses to Paragraph 5 with respect to ESMS.	See responses to Paragraph 5 with respect to ESMS.
Stakeholder Engagement			
25.	Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts. Stakeholder engagement is an ongoing process that may involve, in varying degrees, the following elements: stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism, and ongoing reporting to Affected Communities. The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development.	The ESIA considers stakeholder engagement as a cross cutting action, addressing many impacts and management issues associated with the Project. A stakeholder engagement process has been undertaken, including scoping engagement. Due to the length of the LLCOP, the ESIA engagement included additional meetings in selected communities although town hall meetings were held in each County. Stakeholders included local stakeholders,	Ongoing stakeholder engagement will still be necessary to ensure communities are aware of specific activities, health and safety issues, and changes to land access and pastoral routes, to ensure they are prepared for these changes as construction progresses. The SEP for the Project should be updated after each new round of stakeholder engagement.

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		<p>government authorities, NGOs and CBOs.</p> <p>Baseline data collection through focus groups and key informant interviews enabled additional discussion on the project.</p>	
Stakeholder Analysis and Engagement Planning			
27.	<p>The client will develop and implement a Stakeholder Engagement Plan that is scaled to the project risks and impacts and development stage, and be tailored to the characteristics and interests of the Affected Communities. Where applicable, the Stakeholder Engagement Plan will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. When the stakeholder engagement process depends substantially on community representatives, the client will make every reasonable effort to verify that such persons do in fact represent the views of Affected Communities and that they can be relied upon to faithfully communicate the results of consultations to their constituents.</p>	<p>It is stated in the ESIA that a SEP has been developed for the Project, however it was not available at the time of this review.</p>	<p>Confirm measures in the SEP are implemented as the project progresses through to construction and that the SEP will be under review and updated for each significant phase of the project</p>
Disclosure of Information			
29.	<p>Disclosure of relevant project information helps Affected Communities and other stakeholders understand the risks, impacts and opportunities of the project. The client will provide Affected Communities with access to relevant information on: (i) the purpose, nature, and scale of the project; (ii) the duration of proposed project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures; (iv) the envisaged stakeholder engagement process; and (v) the grievance mechanism.</p>	<p>Disclosure of the ESIA has been completed.</p>	<p>More localised disclosure to the Affected Communities of the required elements may be required and this can be done prior to construction commencing as part of ongoing engagement, to ensure all relevant stakeholders are aware of specific activities and health and safety implications.</p> <p>The Grievance Mechanism should be explained in each ongoing engagement session.</p>

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
Consultation			
30.	<p>When Affected Communities are subject to identified risks and adverse impacts from a project, the client will undertake a process of consultation in a manner that provides the Affected Communities with opportunities to express their views on project risks, impacts and mitigation measures, and allows the client to consider and respond to them. The extent and degree of engagement required by the consultation process should be commensurate with the project's risks and adverse impacts and with the concerns raised by the Affected Communities. Effective consultation is a two-way process that should: (i) begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise; (ii) be based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information which is in a culturally appropriate local language(s) and format and is understandable to Affected Communities; (iii) focus inclusive engagement on those directly affected as opposed to those not directly affected; (iv) be free of external manipulation, interference, coercion, or intimidation; (v) enable meaningful participation, where applicable; and (vi) be documented. The client will tailor its consultation process to the language preferences of the Affected Communities, their decision-making process, and the needs of disadvantaged or vulnerable groups. If clients have already engaged in such a process, they will provide adequate documented evidence of such engagement.</p>	<p>A stakeholder engagement process was completed for the ESIA. Additional consultation associated with land acquisition is still required. Consultation will follow the principles of ICP and where relevant, FPIC.</p>	<p>Stakeholder mapping to be undertaken to identify those that must be involved in ICP and FPIC process. This will be done in conjunction with the land acquisition process and will be detailed in associated Livelihood Restoration Plans (LRP).</p>
Informed Consultation and Participation			
31.	<p>For projects with potentially significant adverse impacts on Affected Communities, the client will conduct an Informed Consultation and Participation (ICP) process that will build upon the steps outlined above in Consultation and will result in the Affected Communities' informed participation. ICP involves a more in-depth exchange of views and information, and an organized and iterative consultation, leading to the client's incorporating into their decision-making process the views of the Affected Communities on matters that affect them directly, such as the proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues. The consultation process should (i) capture both men's and women's views, if necessary through separate forums or engagements, and (ii) reflect men's and women's different concerns and priorities about impacts, mitigation mechanisms,</p>	<p>See response to Paragraph 30 with respect to affected Communities.</p>	<p>See response to Paragraph 30 with respect to affected Communities.</p>

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
	and benefits, where appropriate. The client will document the process, in particular the measures taken to avoid or minimize risks to and adverse impacts on the Affected Communities, and will inform those affected about how their concerns have been considered.		
Indigenous Peoples			
32.	For projects with adverse impacts to Indigenous Peoples, the client is required to engage them in a process of ICP and in certain circumstances the client is required to obtain their Free, Prior, and Informed Consent (FPIC). The requirements related to Indigenous Peoples and the definition of the special circumstances requiring FPIC are described in Performance Standard 7.	<p>The ESIA defines the Aweer people in Lamu and vulnerable and marginalised. However, while the ESIA references IFC PS 7, they do not define or identify any indigenous groups.</p> <p>In Turkana County, the JV has adopted FPIC approaches to land acquisition due to the unique social sensitivities.</p> <p>Due to the limited reference to indigenous groups in the ESIA, PS 7 is not considered further, although FPIC is considered in the context of land acquisition.</p>	<p>It is expected that an FPIC approach to land acquisition will be adopted in these identified areas.</p> <p>The SEP must clearly identify which stakeholders may require an FPIC approach rather than an ICP approach.</p> <p>The Project should confirm that there are no indigenous groups affected and explain why this is the case.</p>
External Communications			
34.	Clients will implement and maintain a procedure for external communications that includes methods to (i) receive and register external communications from the public; (ii) screen and assess the issues raised and determine how to address them; (iii) provide, track, and document responses, if any; and (iv) adjust the management program, as appropriate. In addition, clients are encouraged to make publicly available periodic reports on their environmental and social sustainability.	A Grievance Mechanism is referenced in the LLCOP ESIA but was not included in the ESIA for review. It is identified as a key mitigation and management measure associated with a wide range of impacts identified in the reports.	The Grievance Mechanism to be finalised for the Project and implemented prior to construction.
Grievance Mechanism for Affected Communities			
35.	Where there are Affected Communities, the client will establish a grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the client's environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project and have Affected Communities as its primary user. It should seek to resolve concerns promptly, using an understandable and transparent consultative process	See response to Paragraph 34 with respect to the Grievance Mechanism.	See response to Paragraph 34 with respect to the Grievance Mechanism.

Paragraph Ref No:	Requirements of IFC PS 1	Comments on Potential Gaps with the Requirements of IFC PS1	Proposed Gap Closure Actions
	that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. The client will inform the Affected Communities about the mechanism in the course of the stakeholder engagement process.		
Ongoing Reporting to Affected Communities			
36.	The client will provide periodic reports to the Affected Communities that describe progress with implementation of the project Action Plans on issues that involve ongoing risk to or impacts on Affected Communities and on issues that the consultation process or grievance mechanism have identified as a concern to those Communities. If the management program results in material changes in or additions to the mitigation measures or actions described in the Action Plans on issues of concern to the Affected Communities, the updated relevant mitigation measures or actions will be communicated to them. The frequency of these reports will be proportionate to the concerns of Affected Communities but not less than annually.	Ongoing engagement is referenced in the ESIA, particularly in the context of mitigation management.	The process and reporting of activities needs to be clearly articulated. Schedules for ongoing reporting to be developed annually, with annual reports to be developed in accordance with the SEP. A schedule to be disclosed to stakeholders to ensure they are content with the level of engagement to avoid grievances

Table C.2 Performance Standard 2 (Labour and Working Conditions)

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
Working Conditions and Management of Worker Relationship			
Human Resources Policies and Procedures			
8.	The client will adopt and implement human resources policies and procedures appropriate to its size and workforce that set out its approach to managing workers consistent with the requirements of this Performance Standard and national law.	Policies for managing human resources are not adequately referenced in the ESIA with respect to human resource management. The ESIA does not consider in detail impacts to workers through the assessment of labor and working conditions and worker rights.	Ensure that HR Policies are developed in-line with requirements relating to labour and working conditions, human resources management, contractor management and human rights within the supply chain.
9.	The client will provide workers with documented information that is clear and understandable, regarding their rights under national labor and employment law and any applicable collective agreements, including their rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur.	As the size of the construction workforce is large (approx. 7,000), there are contractor management risks that have not been assessed.	An assessment of labor and working conditions and risks to the workforce is required as well as an outline of measures for managing contractors and key mitigation to protect workers and worker rights, particularly contract and supply chain workers. Ensure that HR Policies are developed in-line with these specific requirements
Working Conditions and Terms of Employment			
10.	Where the client is a party to a collective bargaining agreement with a workers' organization, such agreement will be respected. Where such agreements do not exist, or do not address working conditions and terms of employment, the client will provide reasonable working conditions and terms of employment.	See response to Paragraph 8 with respect to working conditions.	See response to Paragraph 8 with respect to working conditions
11.	The client will identify migrant workers and ensure that they are engaged on substantially equivalent terms and conditions to non-migrant workers carrying out similar work.	This risk of migrant workers has not been assessed in the ESIA.	See response to Paragraph 8 with respect to working conditions
12.	Where accommodation services are provided to workers covered by the scope of this Performance Standard, the client will put in place and implement policies on the quality and management of the accommodation and provision of basic services. The accommodation services will be provided in a manner consistent with the principles of	Accommodation camps will be established for the construction workforce, at various locations. These will be "closed camps" to limit interactions with external communities. The management of these camps has not been assessed in the ESIA.	Risks associated with camps along the LLCOP route should be assessed and develop HR policies with respect to camp management in-line with these specific requirements with commitments made to manage contractors. All new camps should be assessed against the

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
	non-discrimination and equal opportunity. Workers' accommodation arrangements should not restrict workers' freedom of movement or of association.		'Workers' Accommodation: Processes and Standards' by IFC/ EBRD, and redesigned as necessary to meet these standards.
Workers' Organizations			
13.	In countries where national law recognizes workers' rights to form and to join workers' organizations of their choosing without interference and to bargain collectively, the client will comply with national law. Where national law substantially restricts workers' organizations, the client will not restrict workers from developing alternative mechanisms to express their grievances and protect their rights regarding working conditions and terms of employment. The client should not seek to influence or control these mechanisms	As above, not explicitly discussed in ESIA.	See response to Paragraph 8 with respect to working conditions and human rights.
14.	In either case described in paragraph 13 of this Performance Standard, and where national law is silent, the client will not discourage workers from electing worker representatives, forming or joining workers' organizations of their choosing, or from bargaining collectively, and will not discriminate or retaliate against workers who participate, or seek to participate, in such organizations and collective bargaining. The client will engage with such workers' representatives and workers' organizations, and provide them with information needed for meaningful negotiation in a timely manner. Workers' organizations are expected to fairly represent the workers in the workforce.	As above, not explicitly discussed in ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
Non-Discrimination and Equal Opportunity			
15.	The client will not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The client will base the employment relationship on the principle of equal opportunity and fair treatment, and will not discriminate with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, and disciplinary practices. The client will take measures to prevent and address harassment, intimidation, and/or exploitation, especially in regard to women. The principles of non-discrimination apply to migrant workers.	Worker recruitment and non-discrimination has been considered with respect to enhancing employment benefits. A transparent, non-discriminatory recruitment procedure is recommended as a benefit enhancement measure. Discrimination within the workplace not explicitly addressed in the ESIA.	See response to Paragraph 8 with respect to working conditions and human rights.

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
17.	Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job will not be deemed as discrimination, provided they are consistent with national law.	As above, not explicitly discussed in ESIA.	See response to Paragraph 8 with respect to working conditions and human rights.
<i>Retrenchment</i>			
18.	Prior to implementing any collective dismissals, the client will carry out an analysis of alternatives to retrenchment. If the analysis does not identify viable alternatives to retrenchment, a retrenchment plan will be developed and implemented to reduce the adverse impacts of retrenchment on workers. The retrenchment plan will be based on the principle of non-discrimination and will reflect the client's consultation with workers, their organizations, and, where appropriate, the government, and comply with collective bargaining agreements if they exist. The client will comply with all legal and contractual requirements related to notification of public authorities, and provision of information to, and consultation with workers and their organizations.	As above, not explicitly discussed in ESIA.	See response to Paragraph 8 with respect to working conditions and human rights.
19.	The client should ensure that all workers receive notice of dismissal and severance payments mandated by law and collective agreements in a timely manner. All outstanding back pay and social security benefits and pension contributions and benefits will be paid (i) on or before termination of the working relationship to the workers, (ii) where appropriate, for the benefit of the workers, or (iii) payment will be made in accordance with a timeline agreed through a collective agreement. Where payments are made for the benefit of workers, workers will be provided with evidence of such payments.	As above, not explicitly discussed in ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
<i>Grievance Mechanism</i>			
20.	The client will provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. The client will inform the workers of the grievance mechanism at the time of recruitment and make it easily accessible to them. The mechanism should involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism should also allow for anonymous complaints to be raised and addressed. The mechanism should not	The contractors are required to develop a grievance mechanism applicable to all contractor and sub-contractor employees.	Ensure that a worker grievance mechanism is in-place for both the construction and long-term workforce.

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
	impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.		
Protecting the Work Force			
<u>Child Labor</u>			
21.	The client will not employ children in any manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development. The client will identify the presence of all persons under the age of 18. Where national laws have provisions for the employment of minors, the client will follow those laws applicable to the client. Children under the age of 18 will not be employed in hazardous work. All work of persons under the age of 18 will be subject to an appropriate risk assessment and regular monitoring of health, working conditions, and hours of work.	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
<u>Forced Labor</u>			
	The client will not employ forced labor, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty. This covers any kind of involuntary or compulsory labor, such as indentured labor, bonded labor, or similar labor-contracting arrangements. The client will not employ trafficked persons.	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
Occupational Health and Safety			
23.	The client will provide a safe and healthy work environment, taking into account inherent risks in its particular sector and specific classes of hazards in the client's work areas, including physical, chemical, biological, and radiological hazards, and specific threats to women. The client will take steps to prevent accidents, injury, and disease arising from, associated with, or occurring in the course of work by minimizing, as far as reasonably practicable, the causes of hazards. In a manner consistent with good international industry practice, as reflected in various internationally recognized sources including the World Bank	Occupational health and safety is referenced in the ESIA with respect to national legislation, EHS guidelines and in the context of managing community health and safety.	Ensure that occupational health and safety policies and procedures are developed in-line with these specific requirements and implemented by contractors and other third parties.

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
	Group Environmental, Health and Safety Guidelines, the client will address areas that include the (i) identification of potential hazards to workers, particularly those that may be life-threatening; (ii) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (iii) training of workers; (iv) documentation and reporting of occupational accidents, diseases, and incidents; and (v) emergency prevention, preparedness, and response arrangements. For additional information related to emergency preparedness and response refer to Performance Standard 1.		
Workers Engaged by Third Parties			
24.	With respect to contracted workers the client will take commercially reasonable efforts to ascertain that the third parties who engage these workers are reputable and legitimate enterprises and have an appropriate ESMS that will allow them to operate in a manner consistent with the requirements of this Performance Standard, except for paragraphs 18–19, and 27–29.	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
25.	The client will establish policies and procedures for managing and monitoring the performance of such third party employers in relation to the requirements of this Performance Standard. In addition, the client will use commercially reasonable efforts to incorporate these requirements in contractual agreements with such third party employers.	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
26.	The client will ensure that contracted workers, covered in paragraphs 24–25 of this Performance Standard, have access to a grievance mechanism. In cases where the third party is not able to provide a grievance mechanism the client will extend its own grievance mechanism to serve workers engaged by the third party.	A requirement for the contractors to develop a grievance mechanism for workers is specified in the ESIA.	See response to Paragraph 8 with respect to working conditions and human rights.
Supply Chain			
27.	Where there is a high risk of child labor or forced labor in the primary supply chain, the client will identify those risks consistent with paragraphs 21 and 22 above. If child labor or forced labor cases are identified, the client will take appropriate steps to remedy them. The client will monitor its primary supply chain on an ongoing basis in order to identify any significant changes in its supply chain and if new risks or	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.

Paragraph Ref No:	Requirements of IFC PS 2	Comments on Potential Gaps with the Requirements of IFC PS2	Proposed Gap Closure Actions
	incidents of child and/or forced labor are identified, the client will take appropriate steps to remedy them.		
28.	Additionally, where there is a high risk of significant safety issues related to supply chain workers, the client will introduce procedures and mitigation measures to ensure that primary suppliers within the supply chain are taking steps to prevent or to correct life-threatening situations.	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.
29.	The ability of the client to fully address these risks will depend upon the client's level of management control or influence over its primary suppliers. Where remedy is not possible, the client will shift the project's primary supply chain over time to suppliers that can demonstrate that they are complying with this Performance Standard.	Not explicitly discussed in the ESIA	See response to Paragraph 8 with respect to working conditions and human rights.

Table C.3 Performance Standard 3 (Resource Efficiency and Pollution Prevention)

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
4.	During the project life-cycle, the client will consider ambient conditions and apply technically and financially feasible resource efficiency and pollution prevention principles and techniques that are best suited to avoid, or where avoidance is not possible, minimize adverse impacts on human health and the environment. The principles and techniques applied during the project life-cycle will be tailored to the hazards and risks associated with the nature of the project and consistent with good international industry practice (GIIP), as reflected in various internationally recognized sources, including the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines).	<p>The air quality assessment for construction does not consider dust and affected human health receptors within the Aol (only assesses amenity value receptors). Short-term human health air quality standards/guidelines exist for PM2.5 and PM10. There is no discussion on how the elevated baseline levels recorded for PM2.5 and PM10) have been considered.</p> <p>Operational phase air quality modelling outputs have not been provided for all pollutants. The only model results shared in the ESIA are for the predicted exceedance of NO₂ near Station No. 6. The predicted exceedance of the air quality guideline for Station 6 was discounted and a low magnitude rating was given assuming that the model artificially predicted ground level concentrations due to terrain. Whilst</p>	<p>The operations air quality assessment should include a table with the predicted maximum ground level concentrations (including baseline and Project contributions) for each pollutant modelled. These should then be compared to 75% of all applicable air quality standards/guidelines to demonstrate that the airshed will retain 'headspace' for future development (although it is recognised that this will not be the case for PM2.5 and PM10 as baseline concentrations are above the standards). The assessment should include the manufacturer guaranteed emission limits for the diesel generators. These should then be compared to Table 1.1.2 from the General EHS Guidelines.</p> <p>For the predicted NO₂ exceedance near Station 6, the generator should be redesigned to achieve better dispersion or operational phase</p>

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
		<p>AERMOD can predict elevated concentrations due to terrain, the model results should not be discounted without further evaluation and, if required, mitigation or monitoring planned.</p> <p>Evidence that the Project does not result in increases in ground level concentrations any pollutant to within 25% of any air quality standard was not provided, which is a requirement of the General EHS Guidelines. The ESIA refers to considering the World Bank equipment emission standards and Kenyan emission standards in determining air dispersion model inputs, however the predicted emission rates for the crude oil generators are not provided.</p>	<p>monitoring should be conducted to verify that ground level concentrations in this area are not above the guideline values for the protection of human health.</p>
5.	The client will refer to the EHS Guidelines or other internationally recognized sources, as appropriate, when evaluating and selecting resource efficiency and pollution prevention and control techniques for	<p>The water resource assessment does not include a detailed assessment of potential water availability impacts to other users from the Project's water use during construction (because the sources for construction water (including hydrotesting) are not yet known. The ESIA states that a detailed Water Management Plan will be required to manage these potential impacts once more detail becomes available. Additionally, the ESIA states the need for pre-construction hydro-census work specific to the areas where abstractions are proposed.</p> <p>The mitigation measures included for managing impacts from hydrotest water abstraction and discharge are partially aligned with the measures set out in the Onshore Oil and Gas EHS Guideline.</p>	<p>Once sufficient detail is available on construction water requirements along the pipeline route and potential water resources that could be used, an assessment will be required to verify that water sourcing would not adversely affect the water level or flow rate of a natural water body, and the test water withdrawal rate (or volume) should not exceed 10 percent of the stream flow (or volume) of the water source. A Water Management Plan will be required to manage potential impacts from water usage and discharge during construction. It should specify the measures to be adopted to align with the EHS Guidelines.</p>
		The ESIA makes reference to the EHS Guidelines; however the applicable measures are not explicitly stated. There are a number of key measures related to air	See the action for Paragraph 4 with reference to resource efficiency.

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
	<p>the project. The EHS Guidelines contain the performance levels and measures that are normally acceptable and applicable to projects. When host country regulations differ from the levels and measures presented in the EHS Guidelines, clients will be required to achieve whichever is more stringent. If less stringent levels or measures than those provided in the EHS Guidelines are appropriate in view of specific project circumstances, the client will provide full and detailed justification for any proposed alternatives through the environmental and social risks and impacts identification and assessment process. This justification must demonstrate that the choice for any alternate performance levels is consistent with the objectives of this Performance Standard.</p>	<p>quality and water that should be included (see the comments related to Paragraph 4.)</p>	
6.	<p>The client will implement technically and financially feasible and cost effective measures for improving efficiency in its consumption of energy, water, as well as other resources and material inputs, with a focus on areas that are considered core business activities. Such measures will integrate the principles of cleaner production into product design and production processes with the objective of conserving raw materials, energy, and water. Where benchmarking data are available, the client will make a comparison to establish the relative level of efficiency.</p>	<p>The primary material consumed during the operations phase will be crude oil for the generators; however only small generators (i.e. <6 MWe are expected to be used). The ESIA does not include any measures to improve energy efficiency/fuel usage.</p>	<p>As part of the Project's Environmental and Social Management System, a mechanism should be included to periodically review (e.g. every five years) the energy usage of the operations and identify potential improvement measures.</p>
8.	<p>For projects that are expected to or currently produce more than 25,000 tonnes of CO2- equivalent annually, the client will quantify direct emissions from the facilities owned or controlled within the physical project boundary, as well as indirect emissions associated with the off-site production of energy used by the project. Quantification of GHG emissions will be conducted by the client annually in accordance with internationally recognized methodologies and good practice.</p>	<p>The ESIA does not include a GHG inventory, so it is unclear if emissions will exceed the 25,000 tonnes threshold.</p>	<p>Prepare a preliminary GHG inventory and compare to the 25,000 tonnes threshold. If above, this must be updated annually with actual data during operations and used to inform a GHG performance review, similar to the energy usage review included in response to Paragraph 6.</p>
9.	<p>When the project is a potentially significant consumer of water, in addition to applying the resource efficiency requirements of this Performance Standard, the client shall adopt measures that avoid or reduce water usage so that the project's water consumption does not have significant adverse impacts on others. These measures include, but are not limited to, the use of additional technically feasible water conservation measures within the client's operations, the use of alternative water supplies, water consumption offsets to reduce total demand for water resources to within the available supply, and</p>	<p>The Project is only a significant consumer of water during construction (due to hydrotesting). Following the measures in the Onshore Oil and Gas EHS Guideline for hydrotest water, as discussed in the comments to Paragraph 4, will meet the requirements of this Paragraph.</p>	<p>See the action for Paragraph 4 related to construction phase water.</p>

Paragraph Ref No:	Requirements of IFC PS 3	Comments on Potential Gaps with the Requirements of IFC PS3	Proposed Gap Closure Actions
	evaluation of alternative project locations.		
10.	The client will avoid the release of pollutants or, when avoidance is not feasible, minimize and/or control the intensity and mass flow of their release. This applies to the release of pollutants to air, water, and land due to routine, non-routine, and accidental circumstances with the potential for local, regional, and transboundary impacts. Where historical pollution such as land or ground water contamination exists, the client will seek to determine whether it is responsible for mitigation measures. If it is determined that the client is legally responsible, then these liabilities will be resolved in accordance with national law, or where this is silent, with GIIP.	As included in response to Paragraph 4, the assessment does not include an explicit comparison to the emission standards set out in the General EHS Guidelines, which have been set with the aim to minimize the mass flow of pollutants. Additionally, the applicable water discharge limits for hydrotest water referenced in the Onshore Oil and Gas EHS Guidelines are also not explicitly stated.	See action for Paragraph 4. The ESIA should state the applicable emission standards for the diesel generators and the water discharge standards that will be followed through the Water Management Plan.
11.	To address potential adverse project impacts on existing ambient conditions, the client will consider relevant factors, including, for example (i) existing ambient conditions; (ii) the finite assimilative capacity of the environment; (iii) existing and future land use; (iv) the project's proximity to areas of importance to biodiversity; and (v) the potential for cumulative impacts with uncertain and/or irreversible consequences. In addition to applying resource efficiency and pollution control measures as required in this Performance Standard, when the project has the potential to constitute a significant source of emissions in an already degraded area, the client will consider additional strategies and adopt measures that avoid or reduce negative effects. These strategies include, but are not limited to, evaluation of project location alternatives and emissions offsets.	As included in response to Paragraph 4 for air quality, the air quality assessment for construction does not fully consider the existing baseline conditions, which are above air quality standards for particulates when determining appropriate mitigation.	See action for Paragraph 4, related to air quality.

Table C.4 Performance Standard 4 (Community Health, Safety, and Security)

Paragraph Ref No:	Requirements of IFC PS 4	Comments on Potential Gaps with the Requirements of IFC PS4	Proposed Gap Closure Actions
Community Health and Safety			
5.	The client will evaluate the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and will establish preventive and control measures consistent with good international industry practice (GIIP), such as in the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines) or other internationally recognized sources. The client will identify risks and impacts and propose mitigation measures that are commensurate with their nature and magnitude. These measures will favor the avoidance of risks and impacts over minimization.	The ESIA provides an assessment of community health and safety, including impacts on community health and communicable disease transmission, impacts relating to accidents and injury, traffic, infrastructure management and environmental determinants on health. GIIP and EHS guidelines are referenced in the ESIA and as part of mitigation and management.	No gaps have been identified with respect to assessment, however, an engagement programme on project activities, impacts and management measures will be required, particularly in relation to contractor activities. Contractor actions will also require to be monitored and managed.
Hazardous Materials Management and Safety			
7.	The client will avoid or minimize the potential for community exposure to hazardous materials and substances that may be released by the project. Where there is a potential for the public (including workers and their families) to be exposed to hazards, particularly those that may be life-threatening, the client will exercise special care to avoid or minimize their exposure by modifying, substituting, or eliminating the condition or material causing the potential hazards. Where hazardous materials are part of existing project infrastructure or components, the client will exercise special care when conducting decommissioning activities in order to avoid exposure to the community. The client will exercise commercially reasonable efforts to control the safety of deliveries of hazardous materials, and of transportation and disposal of hazardous wastes, and will implement measures to avoid or control community exposure to pesticides, in accordance with the requirements of Performance Standard 3.	No detail is included in the ESIA with regards to community exposure to hazardous materials; however, given the nature of the Project activities, any significant community health impacts are most likely to occur as a result of an emergency/ unplanned released only.	See the response to PS1, Paragraph 20 with respect to Emergency Preparedness and Response Plan (and any risk management assessments or plans referenced therein).
Emergency Preparedness and Response			
11.	In addition to the emergency preparedness and response requirements described in Performance Standard 1, the client will also assist and collaborate with the Affected Communities, local government agencies, and other relevant parties, in their preparations to respond effectively to	See response to PS1: Paragraph 20.	See response to PS1: Paragraph 20.

Paragraph Ref No:	Requirements of IFC PS 4	Comments on Potential Gaps with the Requirements of IFC PS4	Proposed Gap Closure Actions
	<p>emergency situations, especially when their participation and collaboration are necessary to respond to such emergency situations. If local government agencies have little or no capacity to respond effectively, the client will play an active role in preparing for and responding to emergencies associated with the project. The client will document its emergency preparedness and response activities, resources, and responsibilities, and will disclose appropriate information to Affected Communities, relevant government agencies, or other relevant parties.</p>		
Security Personnel			
12.	<p>When the client retains direct or contracted workers to provide security to safeguard its personnel and property, it will assess risks posed by its security arrangements to those within and outside the project site. In making such arrangements, the client will be guided by the principles of proportionality and good international practice in relation to hiring, rules of conduct, training, equipping, and monitoring of such workers, and by applicable law. The client will make reasonable inquiries to ensure that those providing security are not implicated in past abuses; will train them adequately in the use of force (and where applicable, firearms), and appropriate conduct toward workers and Affected Communities; and require them to act within the applicable law. The client will not sanction any use of force except when used for preventive and defensive purposes in proportion to the nature and extent of the threat. The client will provide a grievance mechanism for Affected Communities to express concerns about the security arrangements and acts of security personnel.</p>	<p>Impacts associated with security management have been assessed in the ESIA. Key mitigation includes strict adherence to the Voluntary Principles for Security and Human Rights and regular monitoring through an Incident Reporting System.</p> <p>The ESIA also specifies that due diligence must be applied in the appointment of security personnel.</p> <p>The grievance mechanism has been outlined in the SEP.</p>	<p>All mitigation measures must be incorporated into the ESMP. Security Management Plans, building on existing TKBV plans, must also be developed for the project.</p> <p>The Incident Reporting System to be implemented prior to construction.</p>
13.	<p>The client will assess and document risks arising from the project's use of government security personnel deployed to provide security services. The client will seek to ensure that security personnel will act in a manner consistent with paragraph 12 above, and encourage the relevant public authorities to disclose the security arrangements for the client's facilities to the public, subject to overriding security concerns.</p>	<p>See response to Paragraph 12 with respect to security.</p>	<p>See response to Paragraph 12 with respect to security.</p>
14.	<p>The client will consider and, where appropriate, investigate all allegations of unlawful or abusive acts of security personnel, take action (or urge appropriate parties to take action) to prevent recurrence, and report unlawful and abusive acts to public authorities.</p>	<p>See response to Paragraph 12 with respect to security.</p>	<p>See response to Paragraph 12 with respect to security.</p>

Table C.5 Performance Standard 5 (Land Acquisition and Involuntary Resettlement)

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
General			
Project Design			
8.	The client will consider feasible alternative project designs to avoid or minimize physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable.	<p>In the construction of the LLCOP project micro alignment is proposed to avoid physical displacement where relevant. This includes siting of camps and laydown areas.</p> <p>The Draft Land Access and Resettlement Framework (LARF) – revised Nov. 2019 outlines specific measures for managing physical and economic displacement. This document summarises the supplementary actions required by the Project beyond statutory processes, to meet IFC PS5 requirements and includes specific requirements for vulnerable people. The LARF requires the development of a Resettlement Action Plan (RAP) and Livelihood Restoration Plan (LRP) as key supplementary actions.</p>	The LARF still needs to be finalized and signed off with government. The LARF (or a supplementary document) should provide additional detail on specific supplementary actions. Although a multi-step process is summarised in the Draft LARF, this needs to be developed with much more detail.
Compensation and Benefits for Displaced Persons			
9.	When displacement cannot be avoided, the client will offer displaced communities and person’s compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods, as provided in this Performance Standard. Compensation standards will be transparent and applied consistently to all communities and persons affected by the displacement. Where livelihoods of displaced persons are land-based, or where land is collectively owned, the client will, where feasible, offer the displaced land-based compensation. The client will take possession of acquired land and related assets only after compensation has been made available and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons in addition to compensation. The client will also provide opportunities to displaced	Compensation payments for the Project have not yet been paid and affected households are still to be determined. The LARF commits the project to develop a RAP and LRP, which will include a census and assessment of government inventories, to ensure adequate compensation is paid.	Monitor and assess implementation of the LARF and development of project-specific RAP / LRP.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	communities and persons to derive appropriate development benefits from the project.		
Community Engagement			
10.	The client will engage with Affected Communities, including host communities, through the process of stakeholder engagement described in Performance Standard 1. Decision-making processes related to resettlement and livelihood restoration should include options and alternatives, where applicable. Disclosure of relevant information and participation of Affected Communities and persons will continue during the planning, implementation, monitoring, and evaluation of compensation payments, livelihood restoration activities, and resettlement to achieve outcomes that are consistent with the objectives of this Performance Standard. 16 Additional provisions will apply to consultations with Indigenous Peoples, if identified, in accordance with Performance Standard 7.	TKBV has previously used an ICP and, where relevant, an FPIC approach to land access to ensure robust consultation, which has been documented and signed off in accordance with FPIC procedures. A consultation program has been proposed for the LLCOP project including specific consultation with pastoralists and fishers to provide information on construction schedules to minimize disruption during construction. The SEP (Annex III to the ESIA) was not available for review at this time.	The LRP for the Project still needs to be developed. This must clearly specify a proposed engagement approach with affected individuals and households. It should outline a more detailed stakeholder analysis and a consultation schedule ahead of construction and during construction to inform grazing activities along the pipeline route and fishing activities when relevant. The stakeholder analysis should clearly state whether indigenous peoples are present and if not, provide a clear rationale for this conclusion.
Grievance Mechanism			
11.	The client will establish a grievance mechanism consistent with Performance Standard 1 as early as possible in the project development phase. This will allow the client to receive and address specific concerns about compensation and relocation raised by displaced persons or members of host communities in a timely fashion, including a recourse mechanism designed to resolve disputes in an impartial manner.	The ESIA refers to a grievance mechanism to be described in the SEP.	The grievance mechanism should be established at the early stages of the Project and the LRP should include a specific process for addressing livelihood based grievances. The LRP should include prioritisation criteria with timeframes for addressing grievances. Additionally methods for disseminating information about the grievance process and accessibility needs to be detailed, including how it will be communicated to and accessed by pastoralists, fishers, vulnerable groups and women.
Resettlement and Livelihood Restoration Planning and Implementation			
12.	Where involuntary resettlement is unavoidable, either as a result of a negotiated settlement or expropriation, a census will be carried out to collect appropriate socio-economic baseline data to identify the persons	The LARF was revised in November, 2019 and is still awaiting sign-off with government. The JV and the government	The LARF needs to be finalised to enable a LRP to be developed. The LRP must provide a detailed baseline, specify displacement impacts

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<p>who will be displaced by the project, determine who will be eligible for compensation and assistance, and discourage ineligible persons, such as opportunistic settlers, from claiming benefits. In the absence of host government procedures, the client will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and disseminated throughout the project area.</p>	<p>(particularly MOPN) are still to agree how the two land acquisition processes will work together – both the statutory and supplementary process, without setting a precedent that concerns the GoK.</p>	<p>and outline the extent of loss. An entitlements framework must be developed outlining both statutory and supplementary compensation measures (cash and in-kind measures). Key implementation activities, stakeholder engagement, grievance management and a monitoring and evaluation framework should be clearly described.</p> <p>Assets along the LLCOP route need to be clearly documented. Physical displacement has not been identified for the Project.</p>
13.	<p>In cases where affected persons reject compensation offers that meet the requirements of this Performance Standard and, as a result, expropriation or other legal procedures are initiated, the client will explore opportunities to collaborate with the responsible government agency, and, if permitted by the agency, play an active role in resettlement planning, implementation, and monitoring (see paragraphs 30–32).</p>	<p>The LARF specifies that supplementary actions will be undertaken in addition to statutory activities to ensure alignment with IFC PS5. These do not provide any specific detail, other than a LRP is to be developed and implemented.</p>	<p>The LRP should be developed to ensure that adequate compensations and livelihood restoration measures are implemented prior to construction commencing.</p>
14.	<p>The client will establish procedures to monitor and evaluate the implementation of a Resettlement Action Plan or Livelihood Restoration Plan (see paragraphs 19 and 25) and take corrective action as necessary. The extent of monitoring activities will be commensurate with the project's risks and impacts. For projects with significant involuntary resettlement risks, the client will retain competent resettlement professionals to provide advice on compliance with this Performance Standard and to verify the client's monitoring information. Affected persons will be consulted during the monitoring process.</p>	<p>See response to Paragraph 13.</p>	<p>Due to the nature of the Project, monitoring and evaluation will be site / context specific. Therefore the LRP developed must outline clear monitoring and evaluation criteria. Livelihood restoration criteria should be informed by the baseline to be able to measure how livelihoods and standard of living has been restored following displacement.</p>
15.	<p>Implementation of a Resettlement Action Plan or Livelihood Restoration Plan will be considered completed when the adverse impacts of resettlement have been addressed in a manner that is consistent with the relevant plan as well as the objectives of this Performance Standard. It may be necessary for the client to commission an external completion audit of the Resettlement Action Plan or Livelihood Restoration Plan to assess whether the provisions have been met, depending on the scale and/or complexity of physical and economic displacement associated with a project. The completion audit should be undertaken once all mitigation measures have been substantially</p>	<p>See response to Paragraph 13.</p>	<p>See response to Paragraph 14.</p>

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	completed and once displaced persons are deemed to have been provided adequate opportunity and assistance to sustainably restore their livelihoods. The completion audit will be undertaken by competent resettlement professionals once the agreed monitoring period is concluded. The completion audit will include, at a minimum, a review of the totality of mitigation measures implemented by the Client, a comparison of implementation outcomes against agreed objectives, and a conclusion as to whether the monitoring process can be ended		
16.	Where the exact nature or magnitude of the land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown due to the stage of project development, the client will develop a Resettlement and/or Livelihood Restoration Framework outlining general principles compatible with this Performance Standard. Once the individual project components are defined and the necessary information becomes available, such a framework will be expanded into a specific Resettlement Action Plan or Livelihood Restoration Plan and procedures in accordance with paragraphs 19 and 25 below.	A LARF is currently in development and outlines a process to be followed, however there is limited detail in this document and a LRP is required, providing additional detail on measures to restore livelihoods.	See response to Paragraph 14.
Displacement			
17.	Displaced persons may be classified as persons (i) who have formal legal rights to the land or assets they occupy or use; (ii) who do not have formal legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law; or (iii) who have no recognizable legal right or claim to the land or assets they occupy or use. The census will establish the status of the displaced persons.	The ESIA does not anticipate any physical displacement.	Land use rights should be articulated in further detail in the LRP to be developed.
18.	Project-related land acquisition and/or restrictions on land use may result in the physical displacement of people as well as their economic displacement. Consequently, requirements of this Performance Standard in respect of physical displacement and economic displacement may apply simultaneously.	See response to Paragraph 17.	See response to Paragraph 17.
Physical Displacement			
19.	In the case of physical displacement, the client will develop a Resettlement Action Plan that covers, at a minimum, the applicable requirements of this Performance Standard regardless of the number of	See response to Paragraph 17.	See response to Paragraph 17.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<p>people affected. This will include compensation at full replacement cost for land and other assets lost. The Plan will be designed to mitigate the negative impacts of displacement; identify development opportunities; develop a resettlement budget and schedule; and establish the entitlements of all categories of affected persons (including host communities). Particular attention will be paid to the needs of the poor and the vulnerable. The client will document all transactions to acquire land rights, as well as compensation measures and relocation activities.</p>		
20.	<p>If people living in the project area are required to move to another location, the client will (i) offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation where appropriate; and (ii) provide relocation assistance suited to the needs of each group of displaced persons. New resettlement sites built for displaced persons must offer improved living conditions. The displaced persons' preferences with respect to relocating in pre-existing communities and groups will be taken into consideration. Existing social and cultural institutions of the displaced persons and any host communities will be respected.</p>	See response to Paragraph 17.	See response to Paragraph 17.
21.	<p>In the case of physically displaced persons under paragraph 17 (i) or (ii), the client will offer the choice of replacement property of equal or higher value, security of tenure, equivalent or better characteristics, and advantages of location or cash compensation where appropriate. Compensation in kind should be considered in lieu of cash. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.</p>	See response to Paragraph 17.	See response to Paragraph 17.
22.	<p>In the case of physically displaced persons under paragraph 17 (iii), the client will offer them a choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction. Where these displaced persons own and occupy structures, the client will compensate them for the loss of assets other than land, such as dwellings and other improvements to the land, at full replacement cost, provided that these persons have been occupying the project area prior to the cut-off date for eligibility. Based on consultation with such displaced persons, the client will provide relocation assistance sufficient for them to restore their standard of living at an adequate alternative site.</p>	See response to Paragraph 17.	See response to Paragraph 17.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
23.	The client is not required to compensate or assist those who encroach on the project area after the cut-off date for eligibility, provided the cut-off date has been clearly established and made public.	Cut-off dates have not been specified in the ESIA although they are referenced with respect to the development of the LRP.	A cut-off date should be clearly articulated in the LRP and communicated to affected households and individuals.
24.	Forced evictions will not be carried out except in accordance with law and the requirements of this Performance Standard.	See response to Paragraph 17.	See response to Paragraph 17.
Economic Displacement			
25.	In the case of projects involving economic displacement only, the client will develop a Livelihood Restoration Plan to compensate affected persons and/or communities and offer other assistance that meets the objectives of this Performance Standard. The Livelihood Restoration Plan will establish the entitlements of affected persons and/or communities and will ensure that these are provided in a transparent, consistent, and equitable manner. The mitigation of economic displacement will be considered complete when affected persons or communities have received compensation and other assistance according to the requirements of the Livelihood Restoration Plan and this Performance Standard, and are deemed to have been provided with adequate opportunity to re-establish their livelihoods.	The majority of land related impacts are economic and these are described in detail in the ESIA. The majority of impacts will be temporary. The LARF commits the midstream project to develop a LRP.	The LRP is to be developed.
26.	If land acquisition or restrictions on land use result in economic displacement defined as loss of assets and/or means of livelihood, regardless of whether or not the affected people are physically displaced, the client will meet the requirements in paragraphs 27–29 below, as applicable.	The ESIA defines restrictions on use of land. The majority of restrictions will be temporary.	Agreements enabling access to land used for the Project must be clearly documented in the LRP and in community FPIC agreements.
27.	Economically displaced persons who face loss of assets or access to assets will be compensated for such loss at full replacement cost. <ul style="list-style-type: none"> ■ In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of re-establishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment. 	The ESIA describes that livelihood restoration support will be provided through Community Development Plans (CDPs).	The LRP must clearly articulate how affected households and individuals (if identified) receive tailored support, to ensure that it is not diluted through a wider community development program. Livelihood restoration measures form part of the entitlements of affected households and therefore should be targeted specifically at households. Therefore, the entitlements matrix in the LRP must ensure that both cash and in-kind measures to restore livelihoods are tailored to individuals where relevant and that this can be demonstrated. Individuals affected will be

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ In cases affecting persons with legal rights or claims to land which are recognized or recognizable under national law (see paragraph 17 (i) and (ii)), replacement property (e.g., agricultural or commercial sites) of equal or greater value will be provided, or, where appropriate, cash compensation at full replacement cost. ■ Economically displaced persons who are without legally recognizable claims to land (see paragraph 17 (iii)) will be compensated for lost assets other than land (such as crops, irrigation infrastructure and other improvements made to the land), at full replacement cost. The client is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date for eligibility. 		required to sign-off on these entitlements, including livelihood restoration measures, allowances and transitional support measures.
28.	<p>In addition to compensation for lost assets, if any, as required under paragraph 27, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living:</p> <ul style="list-style-type: none"> ■ For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority. ■ For persons whose livelihoods are natural resource-based and where project-related restrictions on access envisaged in paragraph 5 apply, implementation of measures will be made to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature rather than directly oriented towards individuals or households. 	See response to Paragraph 27.	See response to Paragraph 27.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> If circumstances prevent the client from providing land or similar resources as described above, alternative income earning opportunities may be provided, such as credit facilities, training, cash, or employment opportunities. Cash compensation alone, however, is frequently insufficient to restore livelihoods. 		
29.	Transitional support should be provided as necessary to all economically displaced persons, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.	See response to Paragraph 27.	See response to Paragraph 27.
Private Sector Responsibilities Under Government-Managed Resettlement			
30.	Where land acquisition and resettlement are the responsibility of the government, the client will collaborate with the responsible government agency, to the extent permitted by the agency, to achieve outcomes that are consistent with this Performance Standard. In addition, where government capacity is limited, the client will play an active role during resettlement planning, implementation, and monitoring, as described below.	The land acquisition process is being led by the GoK (including LAPSSSET). The LARF has been developed to specifically address gaps and identify supplementary actions to ensure alignment if IFC PS5.	The LARF still needs to be finalized following discussion with the GoK, including MoPN. Specific supplementary actions for the Projects still need to be clarified / developed.
31.	In the case of acquisition of land rights or access to land through compulsory means or negotiated settlements involving physical displacement, the client will identify and describe government resettlement measures. If these measures do not meet the relevant requirements of this Performance Standard, the client will prepare a Supplemental Resettlement Plan that, together with the documents prepared by the responsible government agency, will address the relevant requirements of this Performance Standard (the General Requirements and requirements for Physical Displacement and Economic Displacement above). The client will need to include in its Supplemental Resettlement Plan, at a minimum (i) identification of affected people and impacts; (ii) a description of regulated activities, including the entitlements of displaced persons provided under applicable national laws and regulations; (iii) the supplemental measures to achieve the requirements of this Performance Standard as described in paragraphs 19–29 in a way that is permitted by the responsible agency and implementation time schedule; and (iv) the financial and implementation responsibilities of the client in the	See response to Paragraph 30.	See response to Paragraph 30.

Paragraph Ref No:	Requirements of IFC PS 5	Comments on Potential Gaps with the Requirements of IFC PS5	Proposed Gap Closure Actions
	execution of its Supplemental Resettlement Plan.		
32.	In the case of projects involving economic displacement only, the client will identify and describe the measures that the responsible government agency plans to use to compensate Affected Communities and persons. If these measures do not meet the relevant requirements of this Performance Standard, the client will develop an Environmental and Social Action Plan to complement government action. This may include additional compensation for lost assets, and additional efforts to restore lost livelihoods where applicable.	As above, although the supplementary actions will be implemented by the Project and not the government.	See response to Paragraph 30.

Table C.6 Performance Standard 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources)

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
General			
6.	The risks and impacts identification process as set out in Performance Standard 1 should consider direct and indirect project-related impacts on biodiversity and ecosystem services and identify any significant residual impacts. This process will consider relevant threats to biodiversity and ecosystem services, especially focusing on habitat loss, degradation and fragmentation, invasive alien species, overexploitation, hydrological changes, nutrient loading, and pollution. It will also take into account the differing values attached to biodiversity and ecosystem services by Affected Communities and, where appropriate, other stakeholders. Where paragraphs 13–19 are applicable, the client should consider project-related impacts across the potentially affected landscape or seascape.	<p>The assessment has documented relevant threats to biodiversity and ecosystem service values. The assessment has been undertaken using contemporary baseline data for the Project area. Impacts on critical habitat, natural, modified and legally protected or internationally recognized areas are not well-defined.</p> <p>It would be useful to provide information from a screening exercise using IBAT data in order to identify target species and aid in determining species that may be present but were not detected during surveys.</p> <p>It would be useful to include maps of the distribution of conservation significant species to complement the descriptions in the text.</p> <p>The mitigation hierarchy has been used to identify priority biodiversity values and an</p>	<p>Screen IBAT data or other relevant data sources to identify species that are predicted to occur and may not have been detected during surveys.</p> <p>Include maps of the records of conservation significant species detected during surveys. If the preference is not to publish this information, a separate confidential annex may be provided.</p> <p>For other relevant actions, see responses to Paragraph 9 (for specific habitat types) and 20 (for legally protected or international recognized areas).</p>

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
		impact assessment completed as per the requirements of the paragraph.	
7.	As a matter of priority, the client should seek to avoid impacts on biodiversity and ecosystem services. When avoidance of impacts is not possible, measures to minimize impacts and restore biodiversity and ecosystem services should be implemented. Given the complexity in predicting project impacts on biodiversity and ecosystem services over the long term, the client should adopt a practice of adaptive management in which the implementation of mitigation and management measures are responsive to changing conditions and the results of monitoring throughout the project's lifecycle.	As described in response to Paragraph 6. Adaptive management would be included within an ESMS or Biodiversity Action Plan (BAP); however these were not provided for review.	Verify that adaptive management measures are included in the ESMS and/or BAP.
8.	Where paragraphs 13–15 are applicable, the client will retain competent professionals to assist in conducting the risks and impacts identification process. Where paragraphs 16–19 are applicable, the client should retain external experts with appropriate regional experience to assist in the development of a mitigation hierarchy that complies with this Performance Standard and to verify the implementation of those measures.	Competent professionals have been contracted to complete the relevant assessment. The critical habitat assessment was not referenced so it is unclear whether consultation with relevant experts has occurred in determining the critical habitat status of the Project.	Verify that consultation with relevant experts has occurred in determine the critical habitat status of the Project.
Protection and Conservation of Biodiversity			
9.	Habitat is defined as a terrestrial, freshwater, or marine geographical unit or airway that supports assemblages of living organisms and their interactions with the non-living environment. For the purposes of implementation of this Performance Standard, habitats are divided into modified, natural, and critical. Critical habitats are a subset of modified or natural habitats.	Critical habitat assessment was not available for review. There is currently no critical habitat summary in the ESIA nor assessment of net-gain in relation to critical habitat values. There is no comprehensive analysis of the extent of natural and modified habitats in the biodiversity baseline. The assessment should provide evidence on which habitats are considered to be natural/modified. This should include photographic and botanical evidence.	Conduct a critical habitat assessment and assess requirements for net-gain accordingly in relation to any impacts. Complete a natural/modified habitat assessment utilizing various means (including geospatial assessments) and include justifications for classifications. Both of these assessments should consider potential induced impacts due to project activities such as human influx impacts (hunting poaching, vegetation clearance).
10.	For the protection and conservation of biodiversity, the mitigation hierarchy includes biodiversity offsets, which may be considered only after appropriate avoidance, minimization, and restoration measures	The impact assessment has been completed using the mitigation hierarchy. Appropriate mitigation measures appear to	Assessment to cross reference potential induced impacts from induced human activities (e.g. hunting poaching, vegetation clearance) to

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	<p>have been applied. A biodiversity offset should be designed and implemented to achieve measurable conservation outcomes that can reasonably be expected to result in no net loss and preferably a net gain of biodiversity; however, a net gain is required in critical habitats. The design of a biodiversity offset must adhere to the “like-for-like or better” principle and must be carried out in alignment with best available information and current practices. When a client is considering the development of an offset as part of the mitigation strategy, external experts with knowledge in offset design and implementation must be involved.</p>	<p>have been applied for all sensitive receptors identified, including for natural and critical habitat values.</p> <p>Potential impacts due to induced human impacts are scoped and assessed in the social and ecosystem services components.</p>	<p>determine if these effects will result in a greater magnitude of impact. If so, additional mitigation may also be required (especially to meet ‘no net loss’ for natural habitat and ‘net gain’ for any critical habitat).</p>
Modified Habitat			
11.	<p>Modified habitats are areas that may contain a large proportion of plant and/or animal species of non-native origin, and/or where human activity has substantially modified an area’s primary ecological functions and species composition. Modified habitats may include areas managed for agriculture, forest plantations, reclaimed coastal zones, and reclaimed wetlands.</p>	<p>Modified habitats are discussed in various sections. As noted above, further justification for the classification of habitats is required.</p>	<p>See response to Paragraph 9.</p>
Natural Habitat			
13.	<p>Natural habitats are areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified an area’s primary ecological functions and species composition.</p>	<p>See response to Paragraph 9.</p>	<p>See response to Paragraph 9.</p>
14.	<p>The client will not significantly convert or degrade natural habitats, unless all of the following are demonstrated:</p> <ul style="list-style-type: none"> ■ No other viable alternatives within the region exist for development of the project on modified habitat; ■ Consultation has established the views of stakeholders, including Affected Communities, with respect to the extent of conversion and degradation; and ■ Any conversion or degradation is mitigated according to the mitigation hierarchy. 	<p>Further assessment and quantification of impacts to natural habitats is required. Table 7.5-4 in the ESIA outlines areas of habitat that would be impacted by the project, however these habitats have not been classed as natural/modified.</p>	<p>See response to Paragraph 9.</p>

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
15.	<p>In areas of natural habitat, mitigation measures will be designed to achieve no net loss of biodiversity where feasible. Appropriate actions include:</p> <ul style="list-style-type: none"> ■ Avoiding impacts on biodiversity through the identification and protection of set-asides; ■ Implementing measures to minimize habitat fragmentation, such as biological corridors; ■ Restoring habitats during operations and/or after operations; and ■ Implementing biodiversity offsets. 	Appropriate mitigation measures have been applied, however induced human impacts require further scoping and assessment.	See response to Paragraph 9.
Critical Habitat			
16.	<p>Critical habitats are areas with high biodiversity value, including (i) habitat of significant importance to Critically Endangered and/or Endangered species; (ii) habitat of significant importance to endemic and/or restricted-range species; (iii) habitat supporting globally significant concentrations of migratory species and/or congregatory species; (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes.</p>	The critical habitat assessment was not available for review. A critical habitat values summary and mapping of the location of critical habitat values is required to inform the impact assessment. See also response to Paragraph 9.	See response to Paragraph 9.
17.	<p>In areas of critical habitat, the client will not implement any project activities unless all of the following are demonstrated:</p> <ul style="list-style-type: none"> ■ No other viable alternatives within the region exist for development of the project on modified or natural habitats that are not critical; ■ The project does not lead to measurable adverse impacts on those biodiversity values for which the critical habitat was designated, and on the ecological processes supporting those biodiversity values; ■ The project does not lead to a net reduction in the global and/or national/regional population of any Critically Endangered or Endangered species over a reasonable period of time; and 	<p>Impacts to habitats, invasive species, temporary habitat severance, fauna impacts and water availability are assessed however induced impacts from humans (such as hunting/poaching and vegetation clearance) is mentioned but comprehensively assessed. Further analysis of key points of concern and mitigations required is necessary.</p> <p>A long term biodiversity monitoring and evaluation program has not been designed, however this would be included in the BAP for the project.</p>	See response to Paragraph 9.

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ A robust, appropriately designed, and long-term biodiversity monitoring and evaluation program is integrated into the client's management program. 		
18.	In such cases where a client is able to meet the requirements defined in paragraph 17, the project's mitigation strategy will be described in a Biodiversity Action Plan and will be designed to achieve net gains of those biodiversity values for which the critical habitat was designated.	A no-net-loss/net gain assessment has not been completed for the project. It is unclear if critical habitat values are impacted by the project (and hence trigger net gain). Requirement for a BAP is mentioned once in Table 7.7-5 however this should be more explicit in relation to the critical habitat triggers.	See response to Paragraph 9. If critical habitat values are impacted by the Project, then a net gain assessment for the project will be required, as well as a BAP.
19.	In instances where biodiversity offsets are proposed as part of the mitigation strategy, the client must demonstrate through an assessment that the project's significant residual impacts on biodiversity will be adequately mitigated to meet the requirements of paragraph 17.	See above at 18. A no-net-loss/net gain assessment has not been completed for the project and hence the need for biodiversity offsets has not been confirmed.	See response to Paragraph 18.
Legally Protected and Internationally Recognized Areas			
20.	<p>In circumstances where a proposed project is located within a legally protected area or an internationally recognized area, the client will meet the requirements of paragraphs 13 through 19 of this Performance Standard, as applicable. In addition, the client will:</p> <ul style="list-style-type: none"> ■ Demonstrate that the proposed development in such areas is legally permitted; ■ Act in a manner consistent with any government recognized management plans for such areas; 	<p>The location of protected areas and internationally recognised areas has been completed.</p> <p>Requirements to satisfy this clause are not well documented in the ESIA.</p>	Documentation of any project works within protected areas needs to be addressed.

Paragraph Ref No:	Requirements of IFC PS 6	Comments on Potential Gaps with the Requirements of IFC PS6	Proposed Gap Closure Actions
	<ul style="list-style-type: none"> ■ Consult protected area sponsors and managers, Affected Communities, Indigenous Peoples and other stakeholders on the proposed project, as appropriate; and ■ Implement additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the area. 		
Supply Chain			
30.	<p>Where a client is purchasing primary production (especially but not exclusively food and fiber commodities) that is known to be produced in regions where there is a risk of significant conversion of natural and/or critical habitats, systems and verification practices will be adopted as part of the client's ESMS to evaluate its primary suppliers. The systems and verification practices will (i) identify where the supply is coming from and the habitat type of this area; (ii) provide for an ongoing review of the client's primary supply chains; (iii) limit procurement to those suppliers that can demonstrate that they are not contributing to significant conversion of natural and/or critical habitats (this may be demonstrated by delivery of certified product, or progress towards verification or certification under a credible scheme in certain commodities and/or locations); and (iv) where possible, require actions to shift the client's primary supply chain over time to suppliers that can demonstrate that they are not significantly adversely impacting these areas. The ability of the client to fully address these risks will depend upon the client's level of management control or influence over its primary suppliers.</p>	Unclear as to whether natural resources will be used by the Project. No details on evaluation of primary supply chain in ESIA.	Provide justification if natural resources are used. Include the primary supply chain – see comment on PS1 Paragraph 10.

Performance Standard 7 (Indigenous Peoples)

No indigenous peoples were identified in the ESIA as Affected Communities, and as such this Performance Standard is not considered further in this assessment. FPIC is currently being applied by TKBV with respect to land acquisition associated with EOPS activities, due to the presence of domestic pastoralists, which are considered a vulnerable group. It is not known if and how FPIC will apply to land acquisition along the pipeline corridor. Therefore, it is recommended that the SLIP provides commentary on why the different ethnic groups identified along the pipeline route, including pastoralists, fishers and other groups, are not considered as indigenous peoples. This will provide confidence that PS 7 is not applicable to this project. It should also clearly explain which groups, if not indigenous, may still require a FPIC process applied to land acquisition due to their highly vulnerable status.

IFC Performance Standard 8 (Cultural Heritage)

No significant gaps were identified with respects to Performance Standard 8 (Cultural Heritage). The ESIA provide an overview of the cultural setting of the project area and the project has committed to working with the National Museums of Kenya to undertake a pre-construction archaeological investigation. The ESIA also acknowledges that there may still be cultural heritage that has not been identified within the project footprint. A Cultural Heritage Management Plan and a Chance Finds Procedure have been recommended as management and mitigation tools. Ongoing consultation with local communities and other stakeholders has also been recommended as part of mitigation.

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